180084

JPRS-LAM-84-053

1 May 1984

# Latin America Report

19980819 186





FOREIGN BROADCAST INFORMATION SERVICE

REPRODUCED BY
NATIONAL TECHNICAL
INFORMATION SERVICE
U.S. DEPARTMENT OF COMMERCE
SPRINGFIELD, VA. 22161

7 91 AØ5 JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

#### PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in <u>Government Reports</u> <u>Announcements</u> issued semi-monthly by the National Technical Information Service, and are listed in the <u>Monthly Catalog of U.S. Government Publications</u> issued by the <u>Superintendent of Documents</u>, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

# LATIN AMERICA REPORT

# CONTENTS

## INERGY ECONOMICS

BRAZIL

Petroleum Self-Sufficiency by 1993 To Cost \$111 Billion (JORNAL DO BRASIL, 24 Mar 84)	
Briefs	
New Petroleum Discovery	
Oil Self-Sufficiency by 1990	:
ELETROBRAS Investments in Rondonia	4
JAMAICA	
Details of Agreement Signed With Occidental Reported	
(THE DAILY GLEANER, 26 Mar 84)	
MEXICO	
Briefs	
Additional Oil for France Figures on Trade With ROK	7
ST VINCENT AND THE GRENADINES	
Briefs	
Electricity Rate Increase	8
TRINIDAD AND TOBAGO	
Senate Raises Excise Duty on Petroleum Products	
(EXPRESS, 20 Mar 84)	9
Natural Gas Reserve Put at 10.7 Trillion Cubic Feet	
(EXPRESS, 19 Mar 84)	11

#### COUNTRY SECTION

INTER-AMERICAN AFFAIRS				
Briefs Oaxaca, Mexico-Cuba Cultural Exchange	12			
ANTIGUA AND BARBUDA				
Briefs Consumer Protection	13			
ARGENTINA				
CGT Calls on Political Parties, Church To Defend Democracy (LA PRENSA, 21 Mar 84)	14			
Reportage on Present Situation in Educational System (CLARIN, 11, 13 Mar 84)	16			
University Students' Demands Education Minister Rejects Demands Quality of Education Criticized				
Bishops Meet: Divorce, Indian Issues Major Concerns (LA NACION, 10 Mar 84)	21			
Radicals To Promote New Professional Labor Law (LA NACION, 20 Mar 84)	22			
DOMINICAN REPUBLIC				
Congress Protests Radio Station Closing (LISTIN DIARIO, 22 Mar 84)	23			
Long Debate in Chamber, by F. Alvarez Castellanos PDR Senator Defends Government, by Octavio Mata Vargas				
EL SALVADOR				
Additions to 1983 Constitution (DIARIO, 16 Dec 83)	27			
GRENADA				
Former Prisoner Victor Starts Group To Help Ex-Soldiers (Vashty Maharaj; TRINIDAD GUARDIAN, 2 Apr 84)	29			

Briefs

Union Stand on Wages

31

### GUATEMALA

	Briefs	
	FUN Draft Constitution	32
	Constituent Assembly Candidates	32
	Border Village Restoration	33
GUYANA		
	•	
	Women's Groups Issue Statement on Domestic Crisis	
	(EXPRESS, 16 Mar 84)	34
MEXICO		
MEXICO		
	SECORIN Allows Milk Price To Dice 40 December 4 56 D	
	SECOFIN Allows Milk Price To Rise 40 Percent, to 56 Pesos	
	(Federico Ortiz; EXCELSIOR, 20 Jan 84)	36
	Metropolitan Area Cost of Living Raw Data	
	(EL DIA, various dates)	20
	(== ===,	٥٥
	Beans: 100-150 Pesos	
	Eggs: 100-130 Pesos	
	Comparisons With Last August Made, by	
	Norberto Hernandez Montiel	
	Array of Foods Surveyed, by Cristina Martin	
	Tortillas: 20-25 Pesos, by Lazaro Serrania Alvarez	
	Milk: 70 Pesos, by Lazaro Serrania Alvarez	
	Milk Sales Made Conditional, by Lucia Mendez	
	Chicken, Meat, Eggs, Oil, Rice, by Lucia Mendez Cardenas	
	Railroad Modernization Will Mean 50 Percent Cut in Work Force	
	(EXCELSIOR, 24 Mar 84)	45
	Tooking Death of Control of the Cont	
	Testimony Portrays Corruption Under Police Chief Durazo	
	(PROCESO, No 386, 26 Mar 84)	47
	Briefs	
	San Luis Potosi: Federal Moneys	
	ban buls fotosi. Federal moneys	52
ST LUCI	[A	
	Reaction to Closure of Offshore U.S. Medical School Noted	
	/MIT ITTERED	53
		,,
	Sale of Hotel to U.S. Interests Will Bring Layoffs, Casino	
		55
ST VINC	CENT AND THE GRENADINES	
	Report on Tannis Talks With European Leaders	
	(Zan Lewis; THE VINCENTIAN, 23 Mar 84)	56

Editorial Hails Reopening of Electronics Plant (THE VINCENTIAN, 23 Mar 84)	58
SURINAME	
Bouterse Sees Continued Threat From Liberation Council (ANP NEWS BULLETIN, 2 Apr 84)	59
Bouterse Seen Ruled by Fear, Helplessness (NEUE ZUERCHER ZEITUNG, 1-2 Apr 84)	61
Briefs Labor Leaders' Trip Postponed	65
TRINIDAD AND TOBAGO	
Tobago Gears Up for Elections to House of Assembly (SUNDAY EXPRESS, 18 Mar 84)	66
Productivity Council Head Quits; Talks of Distrust and Hostility (SUNDAY EXPRESS, 18 Mar 84)	68
Henry's Explanation, by Gregory Shaw Assessment of Council's Work Council's Report to Government	
Questions Raised About Business Deals Involving U.S. Firms (John Babb; SUNDAY GUARDIAN, 1 Apr 84)	73
Contractors Urge Government To Remove Julien From Pt. Lisas (EXPRESS, 22 Mar 84)	77
ISCOTT Management Says Union Is Dragging Company Down (TRINIDAD GUARDIAN, 2 Apr 84)	78
Negative Trade Balance Registered for 1983 (EXPRESS, 19 Mar 84)	80
Foreign Reserve Down in '83 Despite Good Fourth Quarter (TRINIDAD GUARDIAN, 2 Apr 84)	82
Briefs Farmers' Protest	84

ENERGY ECONOMICS BRAZIL

#### PETROLEUM SELF-SUFFICIENCY BY 1993 TO COST \$111 BILLION

Rio de Janeiro JORNAL DO BRASIL in Portuguese 24 Mar 84 p 16

[Text] Minister of Mines and Energy Cesar Cals said yesterday that the self-suffiency in energy Brazil plans to achieve by 1993, when according to its calculations PETROBRAS [Brazilian Petroleum Corporation] should be producing 1 million barrels of oil per day, a volume matching consumption, will require investments between now and then of about \$111 billion, which he finds entirely feasible.

The minister explained that in order to reach this production level, PETRO-BRAS will have to find oil reserves of about 360 to 400 million barrels per year by 1993. Total energy consumption in that year should come to about 1,400,000 barrels per day, 1 million of this being oil and the balance alcohol, coal, uranium and other alternative sources.

The minister of mines and energy announced that already this year, imports of oil intended for domestic consumption (of which one part is refined and reexported in the form of by-products) will be reduced to about 450,000 barrels per day (the current figure is 500,000 barrels). By 1993, when the aim is to achieve self-sufficiency, the foreign exchange savings thanks to the reduction of oil imports will come to about \$57 billion, according to Ministry of Mines and Energy calculations.

Cesar Cals said that in a report on the national economic prospects sent to the IMF, the Brazilian government stated that the country will have the economic capacity to invest \$123 billion in the energy sector in the next 10 years. As its self-sufficiency project calls for investments of \$111 billion, it believes that there will be no problems with regard to the resources for reaching this level.

#### Gas-Producing Apparatus

Yesterday the minister visited the Light offices in Triagem to inspect the gas-producing apparatus projects using charcoal which the enterprise has pursued jointly with ELETROBRAS [Brazilian Electric Power Company, Inc] since 1981. The apparatus is designed to produce a substitute for diesel oil in small electrical generator units in isolated localities, mainly in the North and Center-West regions. In these regions, fuel is being transported distances of over 2,000 kilometers, requiring more diesel oil for the transportation in some cases than that consumed in operating the unit.

At the Light office, the president of ELETROBRAS, General Costa Cavalcanti, signed two contracts with the FINEP [Funding Authority for Studies and Projects] totaling 89 million cruzeiros for the financing of the gas-producing apparatus project.

5157

CSO: 3342/85

ENERGY ECONOMICS BRAZIL

#### BRIEFS

NEW PETROLEUM DISCOVERY--Minister of Mines and Energy Cesar Cals announced yesterday, during a discussion at the Mineral Policy Seminar in the Chamber of Deputies, that the new oil discovery in the Campos Basin--the RJS-284 well --contains reserves estimated at 200 million barrels. This volume is the equivalent of 8 months' consumption for the country as a whole. Cals, who is optimistic about the plan for achieving self-sufficiency in oil by 1993, said that "discovering more oil in Brazil is no fantasy." He recalled that the geological data in the hands of the PETROBRAS [Brazilian Petroleum Corporation] suggests excellent prospects in the Campos Basin, in deeper water areas than those being explored today. The increase in production from 164,000 barrels in 1979 to about 450,000 barrels of oil at present was, in the view of the minister of mines and energy, the result of the massive investments made by PETROBRAS during that period, when exploration and production began to account for the largest part of the enterprise investment. In 1979, these two sectors accounted for 34 percent of the total investment made by PETRO-BRAS, while this year their share has increased to 92 percent. Also during the address he delivered at the seminar on mineral policy, Cesar Cals gave assurance that tin exports will reach \$200 million this year, as compared to \$115 million last year and only \$23 million in 1982. Gold production will reach 70 tons, as compared to 49 last year, an increase of almost 43 percent. [Text] [Rio de Janeiro O GLOBO in Portuguese 28 Mar 84 p 19] 5157

OIL SELF-SUFFICIENCY BY 1990--Brasilia--The production director at PETROBRAS [Brazilian Petroleum Corporation], Joel Mendes Renno, confirmed yesterday that the goal of achieving self-sufficiency in oil, with production of 1 million barrels per day, may be moved up from 1993 to 1990. "Everything will depend on the new reserves discovered, with rather promising expectations in the Campos Basin," he said. After attending a meeting with Minister of Mines and Energy Cesar Cals, to whom he delivered the report of the PETROBRAS Board of Directors pertaining to the activities of the enterprise last year, Joel Mendes Renno explained that domestic oil production reached 500,000 barrels per day at the beginning of the second half of the year, also representing achievement of a goal which had been set for 1985. He reported that PETRO-BRAS will drill another well, RJ-287, in the neighborhood of the recent discovery at Well RJ-284 on the Campos platform, which produced 5,000 barrels per day, in order to establish the extent of the reserves, which the enterprise estimates at 200 million barrels. If PETROBRAS confirms this capacity potential for RJ-284, Brazilian oil reserves will be increased to 2.6 billion barrels. [Text] [Rio de Janeiro JORNAL DO BRASIL in Portuguese 31 Mar 84 p 181 5157

ELETROBRAS INVESTMENTS IN RONDONIA--Brasilia--The president of ELETROBRAS [Brazilian Electric Power Companies, Inc], General Costa Cavalcanti, has signed a financing contract totaling \$29 million (about 34,800,000,000 cruzeiros) with Rondonia Electric Power Plants (CERON) for energy transmission and distribution projects in the capital city and the interior of the The resources will come from the World Bank and should benefit 45,000 new consumers. The signing ceremony, which was attended by Governor of Rondonia Jorge Teixeira, took place in the office of Minister of Mines and Energy Cesar Cals. The president of ELETROBRAS noted the increase in Rondonia's electrical energy consumption, which came to 45.8 percent in a 12-month period, setting a record for the country, although still not totally The president of CERON, Raimundo Peixoto Bittencourt satisfying demand. Filho, said that the contract signed with ELETROBRAS yesterday is a part of a larger program calling for the investment of \$100 million in 4 years to establish an electrical energy infrastructure in the state of Rondonia. With a view to economizing on diesel oil, for which the monthly consumption total comes to 8 million liters for generating thermoelectric power, the CERON program includes, in addition to the recovery of thermoelectric plants burning wood, the installation of 732 kilometers of transmission lines, 243 kilometers of primary network distribution lines, and 934 kilometers of secondary network lines. [Text] [Rio de Janeiro JORNAL DO BRASIL in Portuguese 14 Mar 84 p 17] 5157

CSO: 3342/85

ENERGY ECONOMICS JAMAICA

#### DETAILS OF AGREEMENT SIGNED WITH OCCIDENTAL REPORTED

Kingston THE DAILY GLEANER in English 26 Mar 84 pp 1, 3

[Text] ASSISTANCE FOR JAMAICA in a wide range of economic areas by one of the giants of American technology is promised in an agreement finalised here last night.

The Government of Jamaica and Occidental Petroleum Corporation of the United States signed a Memorandum of Understanding under which consideration is to be given to five main areas of assistance.

The signing took place at Jamaica House and involved the Prime Minister, the Rt. Hon. Edward Seaga, and the chairman of Occidental, Dr. Armand Hammer. The main intentions of the Memorandum, as set out in an official Jamaica House statement, are:

- --To supply coal for the conversion of a significant portion of Jamaica's electrical power which currently is fueld by petroleum imports. Cheaper coal imports would have the effect of reducing the import requirements for foreign exchange;
- --To evaluate Jamaica's off-shore and on-shore drilling programme for oil, with a view to participating financially in explorations where potential exists:
- --To supply the agricultural materials for manufacturing liquid acid fertiliser which is more economical and well-suited to Jamaica's alkaline soils:
- --To evaluate the potential for a joint-venture arrangement to supply Brangus herd to significantly increase the national herd for beef production under favourable credit terms, using local Brahmin bulls;
- --To examine the potential for the stablishment of a variety of chemical plants for local and export markets, for instance the production of sodium tripolyphospate for use in detergents.

The Memorandum of Understanding was reached after weeks of discussions between Mr. Seaga and Occidental in the course of visits overseas, and full discussions over this weekend between Jamaican and Occidental teams.

The Jamaican team was led by Senator Hugh Hart, Minister of Mining and Energy, and the Occidental team by the president, Mr. A. Robert Abboud.

The chairman of Occidental, Dr. Hammer, who heads one of the largest U.S. conglomerates—said by Prime Minister Seaga to be the 15th largest corporation in the U.S.—and who is also known for pioneering work on trade between the U.S. and Soviet Union and has continued to do so over several decades, flew to the island yesterday for the signing.

Prime Minister Seaga said that the agreement was the first really significant concrete step in addressing sources of alternate energy supplies for Jamaica in a significant way to reduce the foreign exchange costs of imported petroleum.

Mr. Seaga said that the wide range of other projects involved marked the beginning of a relationship with Occidental, one of the gians of American technology in oil, coal, beef, fertilisers and a wide range of chemical products.

#### BRIEFS

ADDITIONAL OIL FOR FRANCE--Paris, 29 Mar--According to the Mexican Petroleum (PEMEX) office in Paris, Mexico will export an additional 10,000 barrels of oil a day to France effective 1 April. The oil in each barrel will be 56 percent "Istmo" quality and 44 percent "Maya" quality. Mexico exports 90,000 barrels of oil a day to France. The sale will result in additional earnings of \$272,400 a day, bearing in mind that the price per barrel of the "mixed" oil is \$27.24. [Summary] [PA111715 Mexico City EXCELSIOR in Spanish 30 Mar 84 p 9-A]

FIGURES ONTRADE WITH ROK--Mexico City, 6 Apr (NOTIMEX)--Trade between Mexico and South Korea has tripled in the last 3 years, reaching a record-setting \$300 million, South Korean Ambassador to Mexico Sin Tong-won has revealed. He pointed out that Mexico exports \$250 million to the Republic of Korea and imports \$50 million from it. The trade between the two countries amounted to barely \$100 million in 1981. Nevertheless, the ambassador added, there is a possibility that trade between the two countries will further increase, strengthening the ties of friendship and economic cooperation. [Excerpt] [FLO70214 Mexico City NOTIMEX in Spanish 1606 GMT 6 Apr 84]

CSO: 3248/559

#### BRIEFS

ELECTRICITY RATE INCREASE—KINGSTOWN, Thurs., (Cana)—THE ST. VINCENT Electricity Services (Vinlec) has increased its rates by 7.1 per cent to 14.3 per cent, effective from last month. A Press advertisement said the minimum domestic charge is up by 7.7 per cent to \$6.30 per month on the mainland, and by 8.6 per cent to \$6.08 in Bequia and Union Island in the Grenadines. In addition, the charge per unit in St. Vincent has been increased by 7.1 per cent to 35 cents per unit, while in the Grenadines, there has been a 10.3 per cent hike taking the cost per unit to 38 cents. Commercial rates have gone up by 10.3 per cent, while the fixed monthly industrial rate has increased by 14.3 per cent. Electricity rates were last increased in January last year, when an overall 17 per cent rate increase brought protests from the Opposition. Vinlec said the latest increases were necessary to help finance a proposed five-year development programme estimated to cost \$20 million. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 30 Mar 84 p 14]

CSO: 3298/667

#### SENATE RAISES EXCISE DUTY ON PETROLEUM PRODUCTS

Port-of-Spain EXPRESS in English 20 Mar 84 p 3

[Text] THE SENATE yesterday passed an order increasing the excise duty on petroleum products, after two independent senators rallied against the resolution on the matter, moved in the upper house by Anthony Jacelon, Minister in the Ministry of Finance.

With a vote of 14 for and 6 against, the resolution was passed by which the government increased an order, effective March 1, 1984, to increase the excise duty on petroleum products, one of the package of fiscal measures outlined in the 1984 budget, by Prime Minister George Chambers.

Before the vote was taken, however, independent senator, Gerald Furnesas-Smith, said the order was "just the beginning" of a slew of taxes he said the Government was going to ram down the throats of the society in the coming months.

"It is going to be thick and fast, more and more taxes on the people of Trinidad and Tobago," Furness-Smith said, as debate began on the matter in yesterday's sitting of the senate, [with] more than a few senators absent.

The usually eloquent solicitor said "it has only just begun," repeating the charge that the government had to increase the tax burden on the country because "they have wasted all the money."

Saying that he did not want to re-open the debate on the 1984 budget, Furness-Smith charged that the tax was "unnecessary and improper" and that the Government was now in the position where it had to find ways to offset its own spending which, he said, was allowed to get out of hand.

He said the Government was seeking, by this means, to legalise measures which were outlined in the budget statement, adding, however, that the particular order suggested that the Government could conceivably go right through the year seeking provisional orders, without going to parliament to seek the proper legislation.

Also harping back to deliberations on such matters during the 1984 budget, independent senator, Ashford Sinanan, said the measure represented "a dangerous precedent."

He said the resolution to give legal effect to the order was tantamount to asking the senate to "legalise confiscation," and that he could not support it on that basis. He said there was evidence in other political systems where such confiscation had been sancationed, starting with relatively simple issues and ending up with the confiscation of bank accounts, and other personal property.

He said that during [words illegible] in the budget debate he called for the debate of such orders at the one before the house yesterday, adding that in spite of the fact that members on the government side had copies of such orders, they were not debated at the time.

Addressing the objections, Jacelon said the order, coming into effect on March 1, was properly before the house and did not warrang an apology as Furness-Smith had suggested.

He said it should have been clear to anyone looking at the finances of the country that new and additional taxation were needed. He added that it was "agrumentative" and dependent on "which side of the fence you are" as to whether the country's money had been wasted.

CSO: 3298/669

NATURAL GAS RESERVE PUT AT 10.7 TRILLION CUBIC FEET

Port-of-Spain EXPRESS in English 19 Mar 84 p 14

[Text] PROVEN natural gas reserves in Trinidad and Tobago stand at 10.7 trillion cubic feet, Patrick Manning, Minister of Energy and Natural Resources, said at a news conference last Wednesday, after meeting with officials of the National Gas Company of Trinidad and Tobago Ltd (NGC) at the company's Port of Spain offices.

The Minister announced, too, that by mid-year government will begin looking into the feasibility of supplying cooking gas to homes.

Established in 1975 to buy and sell natural gas, NGC has 37 customers, the lartest of whom is the Trinidad and Tobago Electricity Commission (T&TEC). It buys 115 million cubic feet per day of the 325 million cubic feet of gas sold daily by NGC.

Manning also said that since 1982 there has been a marked reduction in the quantity of gas flared.

One of the major projects with which NGC is involved in the replacement of a 20-year-old transmission main supplying natural gas to T&TEC. It is expected that the completion of this project will result in a boost to T&TEC's generating power.

NGC's chairman, Hamel Legall, a former permanent secretary of the Energy Ministry, who sat in at the news conference, said although it was "difficult to talk in terms of profit" because an appropriate capital structure for the company is still to be worked out, he expected the company's profit to be approximately \$34 million in 1984.

The meeting was the seventh in the series of Annual Technical Meetings which the Energy Ministry has been holding with companies involved in energy and energy-based industries.

CSO: 3298/669

#### **BRIEFS**

OAXACA, MEXICO-CUBA CULTURAL EXCHANGE--Pedro Vazquez Colmenares, governor of the state, gave assurance that the cultural sector has special priority in Oaxaca, and that "we have plans for increasing the cultural exchanges with other regions and on the national level." During an interview granted to NOTIMEX, the state's chief executive noted that he had proposed to Sergio Cardenas, director of the National Symphony Orchestra (OSN), that as part of this orchestra's Spring Festival, an international piano competition be called wherein the young national champions would also participate. Subsequently, the governor said that it is still uncertain whether this idea can be implemented, because it does not depend solely on the state government's decision, adding: "Knowledge of our culture and comparison between it and the various movements of universal culture are extremely important in the pursuit of our national identity." Expanding upon his notions, he stressed that, by the same token, the money that is allocated to the cultural sector is by no means wasted, but rather an investment that will bring immediate results, as well as results over the medium and long term. Vazquez Colmenares emphasized: "Culture is something that we must value as an asset of the people, essentially; as these festivals, such as that of the OSN, reach all social classes, to that extent we shall be complying with the duty that the state has to disseminate and back culture for the people's benefit." The official also disclosed that an artistic-cultural exchange between Oaxaca and Cuba is in the process of becoming formalized. The subject of the interview added: "The Cuban people have an enormous musical sensitivity, just as the Oaxacans do, and we profess a particular sympathy. Hence, we want them to know our music and we are greatly concerned with learning about their forms of music." In conclusion, the governor said that, although it is difficult to specify the date when this exchange will begin, when it takes place it will be an event with worldwide repercussions. The plan consists of sending music from Oaxaca, so that Cuba in turn may send us artists representing the Afro-West Indian music. [Text] [Mexico City UNOMASUNO in Spanish 28 Mar 84 p 20] 2909

CSO: 3248/528

COUNTRY SECTION

ANTIGUA AND BARBUDA

#### BRIEFS

CONSUMER PROTECTION—ST. JOHN'S, Antigua, Thursday, (CANA)—The ruling Antigua Labour Party has announced plans to strengthen its price control and consumer protection agency and apprehend businessmen illegally charging exorbitant prices for certain commodities. In his throne speech outlining the government's policies and programmes for 1984, Governor General Sir Wilfred Jacobs said some businessmen have taken advantage of the government's desire to foster the development of the private sector by charging outrageous prices for some commodities. "It is deeply disturbing that some unscrupulous businessmen in our midst are continuing to exact unreasonable prices for imported products," Sir Wilfred said. [Text] [Port-of-Spain EXPRESS in English 16 Mar 84 p 35]

CSO: 3298/658

COUNTRY SECTION ARGENTINA

CGT CALLS ON POLITICAL PARTIES, CHURCH TO DEFEND DEMOCRACY

Buenos Aires LA PRENSA in Spanish 21 Mar 84 p 4

[Text] The CGT yesterday called for talks with the social pastoral team of the Church, the political parties and other organizations in search of a multisectoral understanding to make it possible to join together in confronting the present socioeconomic crisis.

The Directing Council of the labor union declared in a communique that the inititative attempts to "strengthen democracy" and is "above any electoral calculation or sectoral interest."

The talks to be held by the CGT leadership will also take place with "different management sectors and student, social and youth groups" to "seek the possibilities of a solution, trying to consult everyone in a framework of national unity," the communique says.

The labor union earmarks as "priority items" dealing with "the socioeconomic crisis through which the Argentine people are suffering" may be dealt with and seeks "to rebuild the basic bloc of the nation in order to confront any sort of threat."

With this it is proposed that any attempt to isolate the popular classes from the national task or face workers with other social sectors in a struggle that may lead us to anarchy, produced no results. Unofficially it was also made known that the CGT has anticipated holding its first talk with the social pastoral team of the episcopate over which Monsignor Justo Laguna presides.

"It is natural for the church to be the first," a spokesman said, "in its position as depository of the democratic charter."

Subsequently the CGT leaders will meet with the representatives of the political parties of which the multiparty coalition is formed, that is, the government party Radical Civic Union, the Integration and Development Movement, and the Justicialist, Intransigente and Chirstian Democratic parties.

Later the round of dialogue will be extended to other parties and to every sort of business, student, professional, social and youth organizations, with whom we will try to outline "a program of common concerns in order to face the national emergency," the spokesman said. (NA)

12448

CSO: 3348 / 328

COUNTRY SECTION ARGENTINA

REPORTAGE ON PRESENT SITUATION IN EDUCATIONAL SYSTEM

University Students' Demands

Buenos Aires CLARIN in Spanish 11 Mar 84 p 28

[Text] Cordoba--The events which culminated with the occupation of the offices of the National University of Cordoba have a much more profound origin than the tense negotiations held all last week between the Radical leadership of the University Federation of Cordoba and the other political groups pressured by over 20,000 youths who want to enter the university.

The resort to force, in which 200 students are participating at night and 600 in the daytime will be "taken under consideration" at an assembly to be held tomorrow at 8 pm, wherein it will be decided whether to continue the measure or halt it.

In reality, the discussions over the controversial subject of unrestricted admission to the university have been going on since a few days prior to the elections held to normalize the student centers during the last 4 months of military rule.

The elections in the School of Medicine--where they won second place-and in Law--where they won by a wide margin over a coalition dominated by Justicialists--were held under the slogan of unrestricted admission.

Between the elections in the latter school and those in the Exact Sciences the then-presidential candidate for the UCR [Radical Civic Union], Raul Alfonsin, made statements against this system, forcing the student group to modify its election literature, printed already, and contained this proposal. At each meeting convoked by the FUC--which is run by the Purple Stripe, winner in the majority of the elections even though it was no longer in favor of unrestricted admission--the opposition has inevitably demanded "that the new Radical government keep its promises."

The Purple Stripe, which obtained an ample margin at the polls, cannot win easily in the assemblies now. Justicialists, socialists, the Popular Leftist Front, and communists present more attractive proposals, and

what succeeds best in rallying the undecided aspirants is the promise of admission to all. In addition, during the 3 hours of deliberations at the last session of the Supreme Council the youths harassed the FUC leadership by chanting "Purple Stripe, sons of Alconada." The FUC must now make a political decision: support or condemn the proposal. Both options are controversial although it will probably choose the second.

#### Education Minister Rejects Demands

Buenos Aires CLARIN in Spanish 13 Mar 84 p 35

[Text] The minister of education and justice, Carlos Alconada Aramburu, yesterday reiterated in San Luis that there would be no unrestricted admission to the national universities this year and gave assurances that "maintenance courses and entrance examinations already scheduled will not be changed."

"We respect the concerns and demonstrations of all students, but as we have assumed power, we are going to exercise it within the law, and we will keep our promises," the official said in statements to the press.

Alconada Aramburu, accompanied by the national director of university affairs, Hugo Storani, participated in the ceremony marking the beginning of the academic year which was held in the Paula Dominguez de Bazan Normal School in San Luis.

#### No changes

The head of the education department noted that the present system governing entrance into the universities "does not contradict our election platform, and we are not betraying any promise."

"We said that we would open the universities to the public, free of the elitist concepts of the military dictatorship, and we are doing this; what is happening is that we must now make those promises compatibe with the admission capabibities of our universities in order not to affect the level and quality of the teaching," he added.

He stated that the government wants "a first-class university system and not one weakened by such limitations."

In turn Storani said that "making the university infrastructure adequate to the demand for admissions will take 3 or 4 months; thus this year we cannot talk about unlimited admissions."

He added that "the great majority of those who pass the minimum examination will gain entrance."

At the same time the minister denied that he was considering transferring the elementary schools, which were put under provincial rule, to national administration.

"The great majority of the provinces want to keep them as they are, and we have great respect for federalism," he stressed.

Regarding the prospects for growth in the universities, he maintained that he had been fighting to obtain increases in their budgets.

Finally, Alconada Aramburu and Arturo Negri, Radical congressman from the province, reported that plans were being drawn up for the creation of national college in this province that would be closely linked to the National University of San Luis.

Quality of Education Criticized

Buenos Aires CLARIN in Spanish 13 Mar 84 p 33

[Text] Carlos Alconada Aramburu stated that "popular education" had suffered so much deterioration because of socioeconomic causes that "it has become a political problem of the first magnitude," and he said there were 6.2 million functional illiterates.

The official spoke at the Paula Dominguez de Bazin Superior National Teachers School in San Luis and mentioned the situation of "devastation and neglect" in education at all levels.

The minister called for abandoning a "system of prohibitions and sanctions reserved for the minorities, of misery, illness, and backwardness."

He praised the values of common, obligatory, free, and universal education, and he spoke of the "tragedy" posed by "the death of a man in ignorance when he possesses the capacity for knowledge."

"This tragedy, which is the result of frugal, authoritarian, and elitist concepts, has happened in our country," he emphasized.

#### Illiteracy

As evidence of this he mentioned the existence of "6.2 million functional illiterates, the high rate of dropouts at the elementary and high school levels, the low quality of scholarship at the elementary level, the decrease in the number of schools, and the reduction in the student population."

"Without education the people do not assume responsibility for their rights and obligations, the foundation of every democracy; they do not require the knowledge needed to perform qualitatively and quantitatively, which is the basis for economic development; such a condition frustrates social mobility," he added.

He maintained also that "education is an end of the state, to be provided as a social service with the best quality and the widest scope."

He said also that "the right and obligation of the state to provide an education to the public in order to definitely ensure the equality of opportunity and possibility does not exclude but on the contrary complements and includes the contribution of private activity.

Alconada Aramburu stated that the government will broaden the education budget to promote public education, overcoming the crisis it is in, and providing help to private education.

He also mentioned that "free and obligatory education, as a goal for all, would not be operative without welfare programs in education. Thus we are concerned for our children's nutrition, early detection of disturbances hindering maturity, and the provision of psychological stimulus to groups isolated from the mainstream because of nutritional and social deprivation."

The minister stated that in view of these needs the following measures were adopted: democratization of education, making it "participatory and nonauthoritarian," development of a new content in the teaching of civics and the Constitution as the National Statute in all the university disciplines.

At the same time he mentioned the objective of extending and popularizing education through the application of the Nutrition and Health Plan in the schools, welfare assistance, the intensive literacy plan, and permanent support for education.

He indicated that the services of the ATC would be employed "to disseminate the plans for education at all levels."

In addition, he brought up the question of improving the quality of the teaching profession, regarding which "the Undersecretariat of Professional Relations was created as a clear innovation to attend to related problems, and arrangements have been made for the reincorporation of teachers dismissed without notice for political, ideological, or trade union reasons and who have the necessary qualifications for the job."

He also announced the restoration of the Teacher's Statute and said that teaching would be professionalized by making the elementary and high school levels adequate to the national requirements. To this end priority will be given to the "establishment of quick degrees with job assurance and offering, in addition, free access to the national universities without regard for fees and quotas and without any other requirement than accreditation at adequate levels for admission through evaluations of the results."

The minister felt that "the criteria for admission to the universities had been made as flexible as humanly possible; we have halted, with democratic and scientific responsibility, at the limits of reality, university structures with deficits, and the necessity of improving admission qualifications."

9015

CSO: 3348/324

COUNTRY SECTION ARGENTINA

BISHOPS MEET: DIVORCE, INDIAN ISSUES MAJOR CONCERNS

Buenos Aires LA NACION in Spanish 10 Mar 84 p 7

[Text] After 4 days of intense deliberations, the meeting in Salta of the bishops of the 10 ecclesiastical districts, forming the "northwest episcapate," ended. At the end of the meeting, the 10 bishops elected Monsignor Diego Gutierrez Pedraza, of the diocese of Cafayate, as the new chairman of the organization.

The deliberation which took place at the spiritual retreat of La Choza, near this provincial capital, began last Monday and took place in the midst of an unusual secrecy which will be prolonged until its conclusion at which, counter to their usual practice, the prelates did not issue any declaration [sic].

Notwithstanding, it became known that during this important meeting the bishops analyzed an extensive agenda having to do with religious news and current events in the country which included divorce and the urgent position of the Indians in the region.

To this effect sources close to the local diocese indicated that the absence of a document showing conclusions about what was analyzed could be attributed to the participants' concern that this information first be made known to the members of the argentine Bishops' Committee, to which these concerns would be brought for a new study.

The official information, nevertheless, was reduced to showing that the participants at the meeting decided on the election of Monsignor Pedraza as the new chairman of the organization that includes the dioceses of Jujuy; Salta; Humahuaca; Santiago del Estero; Anatuya; Oran; Catamarca, Concepcion de Tucuman and Cafayete.

Shortly after this important meeting, the new chairman of the northwest episcapate made a brief statement to journalists to the effect that "it is not reasonable" to make demands on the constitutional government "under present circumstances, since it has been in office for such a short time."

12448

CSO: 3348/328

COUNTRY SECTION ARGENTINA

## RADICALS TO PROMOTE NEW PROFESSIONAL LABOR LAW

Buenos Aires LA NACION in Spanish 20 Mar 84 p 7

[Text] Parana--National Senator Luis Agustin Brasesco, of the Radical Civic Union, announced at a press conference "that authorization will be sought for a new law of professional associations," indicating that in its writing "the whole Argentine union spectrum and experts from the International Labor Organization (ILO) will be consulted."

He also said that "the problem of this law is not only one of program but also of compromise with the majority of the people, who by their vote determined that once and for all there was a need to democratize, calling legitimate and totally clean elections in the trade union organizations." He also asserted that "under no circumstances, and let those who have any illusions to the contrary get them out of their heads, are we going to enforce the law of professional associations of the last constitutional government, which we opposed."

#### Anticipation

The assistant chairman of the labor committee of the Upper House also anticipated that the law of professional associations prescribed by the military government will be repealed. He explained that the purpose of this law was to "keep the sectors of the 62 organizations, with regard to Peronism, which it clearly favored in some way by its action in the temporary committees, with extension of ordinance by the Ministry of Labor in the action."

He reiterated that "democratization in the unions will take place, observing that in order to have a single office we had to pressure the people's mandate and then we looked out the windows of the Congress and remembered when the Congress square was full of people sponsoring the Radical law. Then, we preferred the rejection of the law in the senate rather than empty the square. We are going to keep on fighting to have the squares in the republic filled in favor of the policy that Dr. Alfonsin wishes to follow and therefore we are going to go out on the streets once again, mount the grandstands and work for the democatization of the trade unions."

12448

CSO: 3348/328

#### CONGRESS PROTESTS RADIO STATION CLOSING

Long Debate in Chamber

Santo Domingo LISTIN DIARIO in Spanish 22 Mar 84 p 2

[Article by F. Alvarez Castellanos]

[Text] After nearly 4 hours of debate, the Chamber of Deputies approved a resolution of the Reformist Party in which the closing of Radio Central is censured and is called "a most reprehensible abuse of power."

Twenty representatives spoke to the assembly at the marathon session which started shortly after 10:30 am and ended around 3 pm.

In principle, two similar resolutions were presented, the first by Mr Miguel Angel Velazquez Mainardi, independent for the National District, and the second by the Reformist Party, supported by Engineer Federico Antun Batlle (PR [Reformist Party], National District).

Velazquez Mainardi called the temporary closing of Radio Central and the imprisonment of journalist Rafael Santos "a flagrant violation of laws 6132 and 118," as well as "an abuse of power."

The legislator pointed out that a decision of this nature is only within the jurisdiction of the courts and that "there is only one step from intolerance to high-handedness."

Velasquez Mainardi reported that newspaperman Sanchez had been imprisoned at the National Police and "physically and psychologically abused." The representative unexpectedly withdrew his motion to support that of the Reformist Party, practically the same as his.

Federico Antum Batlle, spokesman of the bloc of Reformist representatives, declared that "what was bad in the past cannot be good today" in alluding to the acts of the same nature that occurred during the Reformist regime.

Antun Batlle said with assurance that from 1966 to 1978 mistakes were made "that the Reformist Party recognizes," but that the closing of Radio Central is a worrisome act, because such acts jeopardize the democratic principles which the PRD [Dominican Revolutionary Party] has always upheld.

Antum Batlle exhorted the national authorities to uphold the "public liberties."

After the intervention of Antun Batlle, another 18 representatives including PRD-members as well as reformists and PLD [Dominican Liberation Party] members, spoke in the assembly and began a reiteration of ideas and judgments.

There were motions that the plan be studied by a special committee, that it be drawn up another way, etc. The Chamber flatly rejected sending to committee, and then a full discussion of the plan was begun.

Dr Hugo Tolentino Dipp, chairman of the House, asked his legislative colleagues for "a high-minded debate" so that "we will not leave here with wounds hard to stanch."

Dr Almanzor Gonzalez Canahuate (PDR-National District) assured that no law had been violated by closing Radio Central, adding that the action was based on law 118 on telecommunications, and on regulation 824 of the National Commission on Public Spectacles and Radiobroadcasting.

In the judgment of Gonzalez Canahuate, "Radio Central made use of an excessive and abusive right," which is why he asked for the resolution to be rejected "as inappropriate and baseless."

Ercilio Veloz Burgos (PR-National District) declared that "while Radio Central remains closed and a journalist imprisoned, freedom of expression will be in question."

Dario de Jesus, PRD spokesman, said that Radio Central exhibited a "long series of violations" and asked for rejection of the resolution.

Engineer Jose Osvaldo Leger (PR--San Cristobal) said that the whole national press had made common cause with Radio Central and that it was doubtful that democratic procedures would gain anything by "proceedings of this nature."

Tomas Hernandez Alberto (PRD-National District) lamented having to disagree with his party colleagues Gonzalez Canahuate and Dario de Jesus and denied that they would agree with the opponent, indicating that the opponent agrees with the current democratic principles of the PRD.

He recalled that Gonzalez Canahuate was a member of the group of attorneys which in 1976 defended Dr Jose Francisco Gomez Pena from an accusation similar to that which the government is now making against the journalist Santos.

Hernandez Alberto observed to his PRD colleagues that "a matter of principles" was involved and that the defense of those principles had cost the PRD much blood in the past.

Aridio de Leon, Jacinto de los Santos, Ramon Pichardo, Ramon Garcia de la Cruz and other PRD representatives joined in asking for the rejection of the proposed resolution. The latter, notwithstanding, was defended by Juan Estrella Rojas, Norge Botello (PLD), Ramon Gonzalez Hardy and other Reformist legislators.

The resolution censures "the closing of Radio Central, as it considers that said closing constitutes unqualified abuse of power and an attack on freedom of the press, which exceeds the punishments the courts could mete out in case the alleged misdeed of Radio Central is proved."

It also asks for the president of the republic "to consider preparing the revocation of that hateful decision, because it has no legal pretext and will not fail to constitute an ingredient disturbing to civic peace and tranquillity."

PDR Senator Defends Government

Santo Domingo LISTIN DIARIO in Spanish 22 Mar 84 p 2

[Article by Octavio Mata Vargas]

[Text] The Senate protested yesterday about the measure by the general directorate of Telecommunications suspending the broadcasts of Radio Central broadcasting station.

By means of a resolution the upper house asks for the executive power to revoke the closing of the radio station without prejudicing any actions against the station which might be pending in the courts.

Upon approval of the resolution, the permanent Senate Committee on Justice gave a report favoring its passage, although recommending slight modifications in the original presented the day before yesterday by Reformist Senator Francisco Ortega Canela.

The term "censure" was changed to "protest" and the term "demand" was replaced by "ask for."

#### Defends Government

For his part, the PRD senator from Dajabon, Federico Richard Olivo, justified the government's action in closing Radio Central, noting that the radio station "violated the law on expression and diffusion of thought."

He said that the station had broadcast slanted news, such as reporting that students at the UASD [Autonomous University of Santo Domingo] had thrown stones at the president's cortege.

The PRD legislator wondered what purpose might be served by trying to besmirch the president's image.

Ricardo Olivo said that during the 12 years of Reformist government, many radio stations were closed under worse conditions than Radio Central.

After indicating that in the Dominican Republic under the government of President Jorge Blanco public liberties will not perish, the senator from Dejabon said that in this country democracy and respect for human rights will be upheld.

Of the 18 senators who attended yesterday's session, 16 voted in favor of the protest resolution against the official measure that closed Radio Central.

PRD Senators Richard Olivo and Domingo Tavarez abstained from voting. Both are members of the faction led by Dr Jorge Blanco.

Senators Albert Geraldy and Luis E. Minier Alies had left the chamber moments before the matter was introduced.

The spokesman of the PRD in the Senate, Luis Bautista Garcia, did not attend yesterday's session.

These three last senators also belong to President Jorge Blanco's faction.

Mr Jacobo Majluta, the chairman of the Senate, did not attend yesterday's meeting of the upper house, either.

12448

CSO: 3248/522

COUNTRY SECTION EL SALVADOR

#### ADDITIONS TO 1983 CONSTITUTION

San Salvador DIARIO Oficial in Spanish Volume 281 Issue 234, 16 Dec 83 pp 1-96

[This issue of DIARIO OFICIAL carries the 1983 Constitution of El Salvador. It has been compared with the San Salvador LA PRENSA GRAFICA version published in the 10 February 1984 JPRS LATIN AMERICA REPORT (JPRS-LAM-84-020), pp 58-114, revealing the following variations here enclosed in slantlines]

[Excerpts] Article 29. In case of war, invasion of the territory, rebellion, sedition, catastrophe, epidemic or other general calamity or serious disturbances of the public order, the guarantees established in Articles 5, 6, first paragraph, 7/, first paragraph,/ and 24 of this constitution may be suspended, except when it is a matter of meetings or associations for religious, cultural, economic or sports purposes. Such suspension could affect all or part of the territory of the republic and will be accomplished by means of a decree by the Legislative Body or the Executive Body, depending on the case.

/The guarantees contained in Articles 12, second paragraph, and 13, second paragraph, of this constitution may be suspended, when agreed upon by the Legislative Body, with three-fourths of the elected deputies voting in favor; not to exceed the 15 days of administrative arrest./

The period of suspension of constitutional safeguards shall not exceed 30 days. When that period has passed, the suspension can be extended for a like period by means of a new decree if the circumstances which led to it continue. If such a decree is not issued, the suspended safeguards will be fully reestablished. [Published in JPRS-LAM-84-020 on p 62]

Chapter III /[First Section] / [Omitted] Political Rights and Duties and the Electoral Body [Published on p 71]

Article 110. No monopoly, except one by the state or the municipalities, when the interests of society make it necessary, may be authorized. Stores where goods that are a monopoly of the state are sold may be established.

In order to insure entrepeneurial freedom and to protect the consumer, monopolistic practices are prohibited.

Discoverers and inventors and those who improve productive processes may be granted privileges for a limited time.

It is also the responsibility of the state by itself, or through autonomous official institutions, to provide mail and telecommunications services. It may take other public services upon itself, when the interests of society require it, providing them directly or by means of the aforementioned institutions or municipalities. Also it is responsible for /regulating and supervising provided by private enterprises and the approval of their rates, except those established in conformity with international treaties or agreements; the Salvadoran public service enterprises will have their work centers and bases of operation in El Salvador./ [Published on p 79]

Article 135. Every draft law bill, after being discussed and approved, shall be sent no more than 10 days later to the Executive Body and if it has not objections, it will give its ratification and have it published as a law.

Ratification by the Executive Body shall not be necessary in the cases of the 1st, 2d, 3d, 4th, /14th,/ 15th, 16th, 17th, 18th, 19th, 20th, 32d, 34th, 35th, 36th and 37th subparagraphs of Article 131 of this constitution and in preliminary hearings of the Assembly. [Published on p 86]

Carlos Alberto Funes
Deputy for San Miguel Department

Rafael Soto Alvarenga Deputy for San Miguel Department

Daniel Ramirez Rodriguez
Deputy for San Vicente Department

Jesus Dolores Ortiz Hernandez Deputy for Cabanas Department

/Ramiro Midence Barrios Zavala Deputy for Morazan Department/ [Published on p 114] Ramiro Midence Barrios Zavala Deputy for Morazan Department

Oscar Armando Mendez Molina Deputy for San Vicente Department

Mario Enrique Amaya Rosa Deputy for Cabanas Department

Roberto Ismael Ayala Echeverria Deputy for Cabanas Department

/Jose Armando Pino Molina
Deputy for San Vicente Department/
[Published on p 114]

CSO: 3248/544

COUNTRY SECTION GRENADA

FORMER PRISONER VICTOR STARTS GROUP TO HELP EX-SOLDIERS

Port-of-Spain TRINIDAD GUARDIAN in English 2 Apr 84 p 1

[Article by Vashty Maharaj]

[Text] A GRENADIAN who was detained by the Grenada People's Revolutionary Government, has now set up an organisation to assist the soldiers of that ousted Government.

In October of 1979, Mr. Teddy Victor was detained.

After four years in prison, he has emerged to form the New Life Organisation (NLO) a Servol-type operation, which, ironically, will be used to help some of the soldiers who ensured his stay in prison.

Mr. Victor was in Trinidad last month learning about the operations of Servol, which he sees as a success story worthy of being copied.

The work of Servol's Rev. Fr. Gerard Pantin inspired him to form the same type of organisation in Grenada of which he is the Executive Driector, he said.

The NLO, he said, would help the hundreds of Grenada youths who were trained as soldiers during the regime of the New Jewel Movement and its People's Revolutionary Army.

Only One Thing

According to Mr. Victor, there are 600-plus youths in the country who were trained for only one thing and they are now finding it difficult to fit into the society. They are being treated as social outcasts, and the NLO's intention is to rehabilitate these youths for re-employment.

Mr. Victor has appealed to the people of Trinidad for any type of assistance, private or Government. "We are taking a step in the dark," he said.

He was one of the original members of the New Jewel Movement. At the time, he said, it was not a hardline Marxist-type group, but after a time it lost direction and became more involved in agitation.

In 1976 he split from the NJM when he saw the direction in which it was going, and opened his own marketing outlet in St. George's. He took part in the 1979 coup that ousted Sir Eric Gairy. "Everybody took part in some say," he said.

Following that revolution, he was disturbed not only by the massive build-up of arms by the PRG, but also by the manner in which it made up the Government "sprinkled with business people" to give the appearance of being a Government, a face for the Marxist people behind it.

Mr. Victor said he questioned this, and made his disappointment felt. He was picked up by the PRA. The warrant for his arrest was signed by Bernard Coard. It was an order which Maurice Bishop, even in those early days, could not countermand.

He described Bishop as simply a "figurehead" of the party, the man with the charisma, the image to appeal to the people. Bishop was never a hardline Marxist, he said, but was more involved with the "African struggle." He was a "weak" person who sat back and allowed Coard to take over. And he was further weakened by the manner in which all his supporters were branded as CIA spies by Coard and gotten rid of, while Coard succeeded in gathering his own little clique around him.

CSO: 3298/659

COUNTRY SECTION GRENADA

## **BRIEFS**

UNION STAND ON WAGES--ST. GEORGE'S, Thurs., (Cana) -- THREE Grenadian trade unions representing civil servants have rejeted a Government proposal for a one-year moratorium on negotiations for a new three-year wages contract. According to President of the Public Workers' Union (PWU) Basil Harford, his organisation, the Grenada Union of Teachers, and the Technical and Allied Workers' Union have agreed that the proposal "is unacceptable." Addressing the annual general meeting of the union on Tuesday night, Harford said the main reasons advanced by Government for the moratorium were that the economy was in a poor state, and the public finances were in embarrasing shape. But the union boss argued that public workers were in an "equally bad state financially," and unless they were lifted from this "financial depression," chances were that they would not be able to perform at their peak. Harford gave no indication of the size of the pay increases the three unions were requesting, but said he felt the efforts of Government to improve the economy could suffer if workers did not have a pay increase. The last three-year industrial contract between the Government and its employees was due for renegotiation at the end of 1983. Harford said that based on preliminary figures, the PWU, formerly called the Civil Service Association (CSA), had discovered that public workers were 13.4 per cent worse off at the beginning of this year than they were at the end of December 31, 1980. He said the PWU would continue to encourage its members to produce to their maximum, but the Government "would have to reciprocate by putting something more in the workers pockets." [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 30 Mar 84 p 5]

CSO: 3298/659

COUNTRY SECTION GUATEMALA

### BRIEFS

FUN DRAFT CONSTITUTION--Guatemala, 22 Mar--Belize has not been included as part of Guatemala in the first draft of the constitution of the republic released to the public today by FUN  $\overline{/N}$  ational Unity Fron $\overline{t/}$  for the purpose of submitting it to public opinion with a view to its subsequent analysis and critique. Gabriel Giron Ortiz, FUN secretary-general, said that this draft will be presented by his party's representation of deputies voted into office during the election to be held 1 July 1984. The political leader added that the FUN deputies will not go to the Constituent Assembly to copy the old models of the constitution but instead will create a new document based on Guatemala's current reality. "The new constitution of the republic should guarantee respect for human rights, the real exercise of freedom and the principle of justice without discrimination. Only in this way will national problems be resolved," Giron Ortiz declared. The introduction of the draft constitution states: "For the sovereign will of the people of Guatemala, with the supreme desire to ensure the happiness of all this country's inhabitants, we, who are gathered here in the exercise of the sovereignty and will of the noble people of Guatemala, do issue and sanction the present constitution of the republic, with a view to guaranteeing the enjoyment of freedom, security and justice by the inhabitants of the country." In Article IV, Title I, this draft constitution provides that the congress of the republic shall be composed of a senate and a chamber of representatives. Two senators from each department will be elected for a period of 4 years and representatives (deputies) for a period of only 2 years, on the basis of the number of inhabitants in each department. Belize was tacitly excluded from Article III as part of the national territory. /Text/ /Guatemala City EL GRAFICO in Spanish 23 Mar 84 p 8/ 8143

CONSTITUENT ASSEMBLY CANDIDATES—The first civic committee and the names of its seven candidates for positions of deputy in the constituent assembly for the central district were filed today with the Department of Political Organizations of the Registry of Citizens. This committee is the Progressive National Alliance, whose secretary general is Dr Mario Castejon, a former Reformist, who has renounced the pro-PNR /Reformist National Party/ and reaffirmed this renunciation yesterday, thereby making him eligible to form a new political group. According to the electoral law now in force, a civic committee can participate in elections to the Constituent Assembly; however, it will have to go out of existence once the elections are over. Dr Castejon availed himself of this provision of the law to register simultaneously his committee and seven candidates for positions of deputies in the constituent assembly for the central district. The candidates

are: Dr Castejon himself, heading the slate; Alberto Herrarte Gonzalez; Marta Altolaguirre; Humberto Grazioso; Jose Aguilar; Dr Alfonso Perez Bravo; and David Monzon. The committee secretary reported that candidates for positions of deputy in the first district will be filed next week; i.e., for the municipalities of Guatemala. He also said that after accomplishing the mission of the Progressive National Alliance, whose campaign focuses on a national recovery crusade, action will be taken to form a political party with the same name for the purpose of participating in the 1985 presidential elections. In another development, Francisco Reyes Ixcamey, secretary of Popular Democratic Force, applied to the Registry of Citizens today for recognition as a political party, after filing a membership list containing the 4,000 members required by the Electoral Law. The Registry now has 8 days to examine the petition and to review the membership list, before authorizing the establishment of this committee or rejecting the petition, if errors are found. /Text//Guatemala City DIARIO DE CENTRO AMERICA in Spanish 21 Mar 84 pp 1, 8/8143

BORDER VILLAGE RESTORATION--Chacaj, Nenton, Huehuetenango, 22 Mar 84--Today in this community Oscar Humberto Mejia Victores, chief of state, inaugurated the restoration work which will provide housing for about 10,000 families now living as refugees a few kilometers from this town. The town consists of 100 to 150 houses but is almost uninhabited because its inhabitants had to move toward the Mexican border to protect themselves from the violence which for a period of several months had ravaged that region, forcing them to emigtate to a secure area. Now with the work being done by the army's department of civilian affairs and by the state's autonomous and semiautonomous institutions, some persons have been returning. They told reporters that they feel more secure and protected and that they are confident their neighbors and relatives will return to their homes. The departmental coordination office, which is headed by Col Hector Leonidas Hernandez Catalan, commander of the military region, told civil servants of the public sector who accompanied Gen Mejia Victores about the work plan which has been prepared and what had already been accomplished. He expressed the hope that the programmed work will be completed within 90 days but explained that before the completion date piecemeal inaugurations would be made to benefit the inhabitants of the region. /Text/ /Guatemala City EL GRAFICO in Spanish 23 Mar 84 p 23/ 8143

CSO: 3248/521

COUNTRY SECTION GUYANA

WOMEN'S GROUPS ISSUE STATEMENT ON DOMESTIC CRISIS

Port-of-Spain EXPRESS in English 16 Mar 84 p 28

[Text] THE following statement was sent to the EXPRESS and signed by the following Guyanese women's organisations:

- --Clerical and Commercial Workers Women's Section.
- -- Guyana Presbyterian Demerara County Women's Organisation.
- -- Presbyterian Women's National Organisation.
- -- Ladies of Charity, Roman Catholic.
- -- Uruline Sisters, Roman Catholic.
- --Ruby Jamaat Ladies' Association (Muslim).
- --Working People's Alliance Women's Section.
- --Women Against Terror.

We, the representatives of organisations of Guyanese woman, have signed this statement for issue on International Women's Day, March 8, 1984, out of our deep concern for the future of the Guyanese people.

As a result of the political, social and economic crisis facing our land, the women of Guyana live hunted, fearful and depressing lives. In many parts of the Third World, and right here in the Caribbean, Women's groups and organisations are no doubt agitating on issues such as equal opportunities and improved working conditions. In Guyana, however, for all but a handful of women, the main issue is one of survival.

The shortage of basic food such as locally-produced rice and sugar, the difficulty of obtaining an essentialy item such as milk and the banning of the staple wheat flour have made life particularly intolerable. Our inability to provide adequately for the young and aged who depend on us is a source of added distress.

The shortage of drugs, the poor condition of hospitals and health centres, in combination with a malnourishing diet have led to a sharp increase in the number of sicknesses and deaths in our families.

Our education system, once the finest in the region, is now producing an alarming number of illiterates among our children and young people.

The sharp rise in violent crime against defenceless women in their homes by day and by night, and as they go about their business outside of the home, condemn all of us to a life of constant fear. The Guyanese police have not been able to offer communities the quality of protection necessary to relieve the fearfulness many women feel.

In all of these areas of concern, not by any means the only ones which trouble us deeply, Amerindian women in our country suffer even greater hardship.

Were [sic] the organisations of Guyanese women who have signed below, call on our counterparts in the region and further afield to support our efforts to bring sustenance and hope to our people.

CSO: 3298/660

COUNTRY SECTION MEXICO

SECOFIN ALLOWS MILK PRICE TO RISE 40 PERCENT, TO 56 PESOS

Mexico City EXCELSIOR in Spanish 20 Jan 84 pp 1-A, 12-A

[Article by Federico Ortiz Jr.]

[Text] The Secretariat of Commerce and Industrial Development (SECOFIN) last night released the new price of milk, which amounts to 56 pesos per liter, a 40 percent increase. SECOFIN also announced an emergency program to supply milk, especially to low-income groups, whereby 2 million liters will be distributed each day at a price of 15 pesos. It announced another program to stimulate milk production, which had dropped from the 4.1 percent that it had attained the last decade, to 1.3 percent last year, giving rise to this critical situation.

Francisco Cano Escalante, undersecretary of regulation and supply of SECOFIN, and Ignacio Mercado Flores, undersecretary of agriculture and operations of the Secretariat of Agriculture and Water Resources (SARH), explained the details of the milk problem and the measures that have been taken to boost production.

In order to protect the buying power of low-income groups and at the same time guarantee adequate profits to milk producers and pasteurizers, Cano Escalante stated, minimum and maximum limits are placed on the prices of this product as a function of the minimum wage. As a whole, prices range between 2 and 8 percent of the minimum wage.

He added that SECOFIN, in coordination with SARH, will review the cost-price-profit ratio of milk every 4 months. These reviews will take place in January, May and September of each year.

He indicated, for example, that the public will pay the following prices as of today for premium papsteurized milk in the principal cities of the country: 56 pesos per 1-liter carton, 55 pesos per 1-liter bottle, and 54 pesos per 1-liter polyethylene container.

Supplies Increased

As a means to ease the milk shortage, stated Cano Escalante, the federal government will earmark 130,000 tons of powdered milk this year, through the

National Company for Basic Commodities (CONASUPO), for industrial use. This distribution, he explained, will meet a demand for the equivalent of 4 million liters of liquid milk per day.

As for milk supplies for low-income groups, the official stated that they will increase by 690,000 liters per day under the CONASUPO program for reconstituted milk, to attain a total of 2 million liters per day this year. Prices will range between 2 and 5 percent of the current minimum wage in the metropolitan area. As of tomorrow, the price will be 15 pesos per liter.

In addition, CONASUPO will begin an emergency, temporary program to rehydrate an additional 500,000 liters of milk each day at its facilities. The milk will be pasteurized, bottled and distributed through the main milk pasteurizing companies that serve the market. This product will cost 43 pesos per liter, and will be available to the public within the next 2 weeks. It will bear the CONASUPO brand.

# Production Promotion

The officials also revealed other measures designed to complement the Program for the Integral Promotion of Production, Supply and Control of Cow's Milk, which was implemented on 5 April 1983. The measures are the following: tax credit for up to 25 percent of any investment made to increase production and create jobs; state support for the supply of raw materials and inputs; import permits for equipment not produced in this country; foreign exchange at the controlled exchange rate; preferential financing; technical assistance and support for marketing.

It was also announced that as a complementary action, heifers will be imported to replenish the national dairy herd. Initially some 30,000 heifers will be imported, to reach a total of 200,000 in the program. The program's goal is to reach a total production of 11 billion liters of milk by 1988, and to meet a demand for 2.739 million liters this year.

The new prices for the various kinds of milk in the different zones of the country will be published today in complete form in the Official Gazette of the Federation.

8926

CSO: 3248/513

COUNTRY SECTION MEXICO

# METROPOLITAN AREA COST OF LIVING RAW DATA

Beans: 100-150 Pesos

Mexico City EL DIA in Spanish 11 Jan 84 'Metropoli' Suppl. p 8

[Text] Merchants are selling the so-called "popular" beans for up to 100 pesos a kilo, and the "preferred variety" for 150 pesos, even though the former's official price is 29.60 pesos and the latter's is 42.50 pesos.

These abuses are taking place in some towns in the Valle de Mexico, including the capital, Mexico City.

SECOFIN district authorities in this area stated that in response to this problem, a veritable crusade has been launched against such merchants to impose economic sanctions on them.

They pointed out that this is part of efforts by wholesalers, importers and others, who are being watched to make sure they do not speculate with this food, a staple for the population.

The officials claimed that through reports and inspections, it has been discovered that the "flor de mayo" variety of bean is priced at up to 100 pesos in the suburbs of the low-income neighborhoods on the outskirts of the Federal District.

The same price is being demanded for the "Queretaro" black bean, the "canario," "ojo de liebre" and other varieties of beans.

Eggs: 100-130 Pesos

Mexico City EL DIA in Spanish 15 Jan 84 'Metropoli' Suppl. p 9

[Text] The demand for eggs at this early point in the year far outstrips the supply, which has led to total anarchy in the established market of the Valle de Mexico. There are places in the Naucalpan-Zaragoza-Tlalnepantla (NZT) Zone where a kilo of eggs costs 110 pesos, but in other areas prices have soared to 130 pesos.

The massive supply of eggs planned by CONASUPO with the cooperation of SECO-FIN, markets on wheels and other commercial establishments, "has been a com-

plete failure," as it covers barely 15 percent of total demand, according to Pedro Rosas Morales, member of the board of directors of the Union of Small Merchants of the Valle de Mexico.

The leader noted that in the coming months demand for this product will increase, while supplies will decline, since "this is the season when hens produce the least."

He explained that the massive supply planned by CONASUPO actually does not even meet the demand by residents of low-income neighborhoods and residential developments of the Valle de Mexico.

In a sampling of the towns of Naucalpan and Tlalnepantla undertaken by this newspaper, it was observed that a kilo of eggs fluctuates between 110 and 130 pesos:

La Central, Calle Hidalgo 9 in Los Remedios; La Chiquita, inside Local 27 of the Central Supply Market; La Esfera, Madin 35, San Lucas Tepetiacalco; La Nelly, Dalia 11-1, Loma Linda; La Carmelita, Calle 24 No 105; El Farolito, Olivar 98, Colonia Olivar; Mi Tiendita, Atlacomulco 24-A, Colonia Tlalnemex; and La Michoacana, Emiliano Zapata 200, San Lucas Tepetlacalco.

The leader pointed out that the chaos in the egg market is not confined to the NZT zone, but extends to all metropolitan municipalities of the Valle de Mexico.

Comparisons with Last August Made

Mexico City EL DIA in Spanish 15 Jan 84 'Metropoli' Suppl. p 12

[Article by Norberto Hernandez Montiel]

[Text] Housewives must be thinking back nostalgically about the prices they thought were excessive last August. The basic goods that they would have been able to buy with today's money would have been able to meet their families' needs.

At that time, for example, tomatoes cost about 45 pesos, as opposed to between 80 and 120 pesos now, nearly triple the previous amount, as can be seen on one of the charts.

As for beans, the staple food consumed by most of the city's population, they could be bought for just 27 to 29 pesos a kilo, whereas now they cost more than 70 pesos.

Bread, which is coming in smaller and smaller loaves, in response to pressure by tortilla makers to make the product more expensive, has risen in cost as well. Now the cost of this carbohydrate ranges from 9 to 12 pesos each in the case of biscuits, while rolls, which are not quantitatively or qualitatively superior, sell for twice the price of salted bread.

Comparing prices between now and just 6 months ago, we might change the old saying that "everything was better in the past" to say, "things would have been better in the past if we had had the money we have today."

There is no doubt that in the race between prices and wages, the latter are coming in last.

Array of Foods Surveyed

Mexico City EL DIA in Spanish 15 Jan 84 'Metropoli' Suppl p 3

[Article by Cristina Martin]

[Excerpt] Since last December, vegetables have risen in price by more than 50 percent; while producers and distributors attribute the increase to the fact that much of the harvest was lost due to frost, housewives complain that the family diet is becoming increasingly meager.

According to some housewives, the prices of vegetables change daily in the markets, so the family budget cannot be allocated adequately, and the result is that there are fewer and fewer foods in the diet.

They explained that meat is practically beyond the reach of most people, so they have already eliminated it; chicken fetches up to 450 pesos a kilo, so it is also becoming rarer in the diet of low-income people. And don't even mention pork.

In view of the inaccessible prices of meat and chicken, the high cost of milk--which is sold at 55 pesos a liter by street vendors and is unavailable in most stores--and the high prices of eggs, there is not even the option of replacing these foods with vegetables, because they are too expensive also.

Prices of 90 pesos for a kilo of green tomatoes, 80 for a kilo of potatoes, and 100 for tomatoes can be seen at the markets. Fruit is not to be left behind; pineapple sells for 150 pesos, guayaba for 100 and lemons for 120 pesos.

Mrs Aurelia Arevalo stated that there are 10 people in her family, and she spends more than 1,000 pesos on the mid-day meal alone, aside from breakfast and supper. "We have already stopped eating meat because it costs more than 500 pesos a kilo; that left us with chicken, but it went up too, and vegetables are getting more expensive every day. What will we do for food?"

She added that her family's diet is getting smaller and smaller, as the income they earn will not stretch far enough to meet food expenses, not to mention others such as rent, gas, light, transportation and clothing.

Mrs Magdalena Garcia indicated that she has just 2 children, in a family of 4, and she spends more than 500 pesos on food. They have given up meat, and many vegetables are too expensive for them.

She stated that in 1 week the prices of vegetables go up so high that it is impossible to estimate expenses from one week to the next, and the family budget cannot be distributed.

She also explained that in 1 week, the price of tomatoes rose from 48 to 70 pesos; "chile serrano" costs 60 pesos a quart, "and don't even mention green tomatoes, potatoes or onions," she concluded. There are supermarkets where "chile serrano" sells for 460 pesos a kilo.

Tortillas: 20-25 Pesos

Mexico City EL DIA in Spanish 25 Jan 84 'Metropoli' Suppl. p 3

[Article by Lazaro Serrania Alvarez]

[Excerpt] Although the Secretariat of Commerce and Industrial Development indicated that it would not reveal until 26 January whether or not it would increase the price of tortillas, various tortilla makers violated the official price limit of 15.50 pesos a kilo, selling the product at 20 to 25 pesos.

'Metropoli' toured some of these establishments, and according to their owners and managers, the increase is imminent, since "everything has gone up" for them: gas and diesel, electricity, spare parts and labor for repairing machinery, as well as corn and the wages of employees, who are earning the new minimum.

Some of the tortilla makers commented that in order for them to come out ahead, "if only a little," the price must be 35 pesos, since they must absorb the new price increases for their raw materials, as mentioned above, as well as the payment of rent and taxes.

Milk: 70 Pesos

Mexico City EL DIA in Spanish 26 Jan 84 'Metropoli' Suppl p 2

[Article by Lazaro Serrania Alvarez]

[Text] Although the Secretariat of Commerce and Industrial Development (SECOFIN) fined three more milk processing companies (LALA, ALPURA and BOREAL) 6 million pesos each for altering prices, yesterday milk was still being sold at 70 pesos a liter in several neighborhoods of this capital city.

The Secretariat also banned the sale of milk in public roadways, an order which has been ignored by the employees of these companies, who yesterday were selling the product in the streets of the neighborhoods of Viaducto Piedad, Santa Maria la Ribera, San Rafael, Doctores and Roma, among others.

When the drivers who were selling milk out of their trucks were asked why they were doing this, they answered that these fines are a drop in the bucket to their companies, as the 6 million pesos can be made back "easily" in a day. The driver who said that operates a truck for "Lacteos Laguna S.A." (LALA), with license plates 2176-AG. He was selling milk at 70 pesos per liter

yesterday morning at the corner of Coruna and Marcos Carrillo in the Viaducto Piedad neighborhood.

According to the Secretariat of Commerce, the prices for premium pasteurized milk of the LALA, ALPURA and other brands in cartons, bottles or polyethylene, are 56, 55 and 54 pesos, respectively. "Extra" premium milk under the Boreal label is to be sold for 59 pesos in cartons and 58 pesos in bottles.

These price rates are not honored by any of these companies, and that is why they were fined; SECOFIN announced yesterday that if these companies are caught altering prices again, they will be shut down for 3 to 15 days; the third violation will result in a 15- to 90-day shut-down, and if the companies persist, authorities will close down the producing plants for good under a section of the civil code that deems such activities a violation of the public's food needs.

The Secretariat also announced that these companies have an obligation to distribute this dairy product in bakeries, stores and miscellaneous outlets that have permits to sell the product. Spokesmen indicated that the owners of these establishments prefer not to sell milk, because they make only 2 to 3 pesos per liter, and if they should alter the price, they would not be able to afford the huge fines.

They also stated that the milk processing plants sell this food product in the streets because this gives them profits of over 15 pesos per liter, in addition to what they earn for processing and bottling the milk.

Finally, it was reported that yesterday a new price was authorized for a liter of the "Alpura 2001" brand of milk, whose chemical components give it a shelf-life of up to 3 months without refrigeration. This product can now be sold to the public for 70 pesos per liter, a price which will never actually be charged; sidewalk merchants will charge 90 pesos or more.

# Milk Sales Made Conditional

Mexico City EL DIA in Spanish 27 Jan 84 'Metropoli' Suppl p 4

[Article by Lucia Mendez]

[Text] At CONASUPO stores in the neighborhoods of San Pablo Tepetlapa and Ruiz Cortines in the district of Coyoacan, a liter of milk can be purchased only if the consumer buys other staple goods at the same time. In addition, consumers are cheated in terms of the weight of the product.

This situation was revealed by housewives Rosenda Mondragon de Rodriguez and Ignacio Lopez, who explained to 'Metropoli' that the milk store at 115 Calle de Calmeca, in San Pablo Tepetlapa, refuses to sell milk if buyers do not purchase other goods such as beans, cooking oil, soup, chocolate or soap.

In addition, since this vital food product rose in price, the machines have been programmed to sell it short; that is, they charge 60 pesos for 4 liters, but they take away approximately one-half liter.

Another irregularity, they noted, is that the milk vendors refuse to sell milk 5 minutes after the appointed time, so housewives have to go to other establishments where the product is more expensive.

They also stated that at the corner of the market in the Ruiz Cortines neighborhood, there is a store that sells milk only to its customers, but at 60 pesos per liter. These customers are also told that they must buy eggs, rice or beans to obtain the milk.

Although the Secretariat of Commerce and Industrial Development banned the sale of milk on public roadways, the housewives reported that the LALA milk truck drives through the main streets of these neighborhoods and stops at the corner of Calle Calmeca at the Ruiz Cortines marketplace, or on Calle Tepetlapa, and sells milk at 72 pesos a liter, much higher than the official rate.

Chicken, Meat, Eggs, Oil, Rice

Mexico City EL DIA in Spanish 29 Jan 84 'Metropoli' Suppl p 2

[Article by Lucia Mendez Cardenas]

[Text] The president of the Association of Poultry Retailers of the Federal District, Luz Landa, asked that authorities at the Secretariat of Commerce and Industrial Development set an official price for chicken in order to contain the voracity of poultry growers.

During an interview she granted to 'Metropoli,' she indicated that the large poultry growers are speculating with the price of chicken, raking in huge profits of up to 71 pesos per kilo, while retailers suffer losses, as sales have plummeted by 60 percent.

Going into more detail, she explained that the cost of producing a kilo of chicken for small poultry growers is 124 pesos, while for larger producers with more advanced technology, the cost is lower.

Nonetheless, she claimed that wholesalers sell the product for up to 240 pesos a kilo, which means that the middle-men are jacking up the price of this perishable food.

In view of this serious situation, the retail leader announced that if the problem is not solved and a price is not set, the members of her organization will go on strike as the only means to ensure that families can buy this product. "It is preferable for a housewife to do without chicken for a week if she can obtain it cheaply afterwards."

Costs Rising on All Sides

Along other lines, 'Metropoli' has received complaints of arbitrary price increases for some staple goods.

It was reported that at the Ruiz Cortinez marketplace, a kilo of meat is selling for 540 pesos, and furthermore 150 grams is shaved off the kilo. It was also stated that at the store on Calle Tepetlapa, milk and sugar are sold on condition that other products be purchased.

Complaints were also received about the CONASUPO store, located on the corner of Calle Tecacalo in the same neighborhood, where staple goods are hidden and only luxury items are for sale.

Consumers also requested that the Consumer Protection Office and SECOFIN intervene and investigate the tortilla store located on Calle Omecihuatl, because the owners soak old tortillas at night and put them back in the dough the next day.

It was also stated that in many establishments, the prices of staple foods are violated: eggs, whose official price is 100 pesos, are sold for up to 120 pesos; cooking oil, set at 123 pesos, is sold for up to 135 pesos; and rice, with an official price of 80 pesos, is sold for up to 120 pesos.

8926

CSO: 3248/513

COUNTRY SECTION MEXICO

RAILROAD MODERNIZATION WILL MEAN 50 PERCENT CUT IN WORK FORCE

Mexico City EXCELSIOR in Spanish 24 Mar 84 pp 4-A, 18-A

[Test] The modernization of Mexican National Railroads (the shops, machinery, tools and equipment of which are in a state of total neglect) and the merger of the Pacific, Sonora-Baja California and Chihuahua to the Pacific railroad companies will result in the layoff of 50 percent of the personnel and the retirement of 24,000 old railroad workers with a monthly wage of 15,000 pesos.

In making the foregoing comment, the leaders of the Railroad Trade Union Movement (MSF) headed by Demetrio Vallejo, and the Democratic Railroad Workers Front (FFD), led by Norberto Vargas Ortiz, noted that they were not opposed to the modernization program, but disagree with the management's attempt to increase productivity with fewer personnel.

They added that the announcement made by the director of the railroads, Eduardo A. Cota, last November, regarding the modernization of the company includes the elimination of 50 percent of the classifications, which means the abolishment of those jobs; and, according to data provided by the Operating Railroads Directorate, disclosing that there are 84,000 jobs, 30 percent of the employees will be retired and will not hold those jobs again; in other words, a total of nearly 24,000 persons.

In addition, as Cota announced, a revision will be made of the collective work contracts (including those with the companies to be merged); indicating that there will be more layoffs and many of the social gains achieved will not be upheld, particularly by the Sonora-Baja California, Chihuahua to the Pacific and Pacific Railroad companies, which are superior to those of Ferronales; and therefore they will not allow this measure, but will request that the benefits already obtained be upheld.

At a press conference, the railroad workers' leaders stated that they do not oppose the modernization nor the merger of the companies, but rather the program aimed at dismissing workers, lengthening the work days for those who are active and not creating more jobs; something that runs counter to what was stipulated by President Miguel de la Madrid to the effect that more jobs must be created.

Vallejo and Vargas Ortiz also remarked that, during a recent tour that they made through the work centers in Puebla, Apizaco, Orizaba, Jalapa, Veracruz, Tierra Blanca, Coatzacoalcos, Campeche, Merida, Matias Romero, Tonala, Oaxaca, Irapuato, Guadalajara, Mazatlan, Empalme, Benjamin Hill, Chihuahua, Jimenez, Torreon, Gomez Palacio, Ciudad Frontera, Nuevo Laredo, Monterrey, Tampico, Ciudad Madero, Cardenas and San Luis Potosi, they had observed that these work centers were in a state of total neglect.

They reported that the equipment, machinery and tools were abandoned, particularly insofar as track is concerned, because much of the latter is very worn and does not provide any safety for the trains; something that is the leading cause of accidents.

Vallejo blamed this situation on the former director of railroads, Luis Gomez Z., "who has never been able to account for the large amounts of money that the federal government earmarked for maintenance of the track which is completely deteriorated."

He said that an example of this is the section from Jimenez to Rosario, on which 156 kilometers of 112-pound rails were to be laid; something that is not the case, because there are only 25 kilometers provided with it, and the rest consists of only 75-pound rail.

He added that Gomez Z. dismissed the workers who were responsible for making brake shoes, pins and rods, and created private companies to make them, whereby he also accrued large profits by selling them to the companies and dismissing the workers. In short, the leaders opposed the modernization programs with fewer personnel and the reduction in their benefits; and therefore they claimed to have already cautioned the railroad workers to oppose that measure.

2909

cso: 3248/530

COUNTRY SECTION MEXICO

TESTIMONY PORTRAYS CORRUPTION UNDER POLICE CHIEF DURAZO

Mexico City PROCESO in Spanish No 386, 26 Mar 84 pp 16-17

[Text] Last week, when the government's silence continued and the suspicion of a "political pardon" arose among the people (former President Jose Lopez Portillo's visit to Mexico heightened that rumor), the case of Arturo Durazo Moreno took a new turn, leaving open the possibility that the most wanted fugitive from moral renewal might answer to the Mexican justice system.

The testimony of 30 subordinates of the former capital police chief, comprising an essential part of the two preliminary investigations completed and submitted by the Federal District's Office of the Prosecutor of Justice to the 26th criminal court, relating to crimes involving fulfilled threats (extortion) was his undoing. So, the Mexican Foreign Ministry initiated the formal procedure to request his extradition of the governments of Canada and the United States.

Following a disclosure submitted by Gen Ramon Mota Sanchez, secretary of safety and highways, regarding the discovery of documents concerning the progress of the construction of Durazo Moreno's residences at Ajusco and Zihuatanejo, as well as checks on periodic deliveries of money and centenarios [50-peso gold coins] to the former police chief, in the files of the former Directorate of Police and Traffic, preliminary investigation SC/1262/84 was completed against Arturo Durazo Moreno and Antonio Lukini Mercado, former chief of the main license office.

In order to complete this investigation, submitted on 12 March, whereby a warrant for arrest was issued on 16 March against Durazo and Lukini, statements were taken from 15 former chiefs of license offices.

This is the testimony:

Arturo Carrillo Vergara (office of licenses and vehicle control); period: 5 years; Cuajimalpa branch office. "I would give Lt Col Antonio Lukini Mercado a weekly sum so that he, in turn, could deliver it to Durazo Moreno. I also gave 50,000 pesos for the purchase of a Gran Marquis. In addition, I gave 30 centenarios over a period of 5 years... Every week, I collected a certain amount separately, which I don't remember; but 25,000 of it was for Durazo. There was always the threat that, if I failed to 'influence him,' I would be dismissed."

Jose Baltazar Tellez Giron (chief of the office of licenses and vehicle control at the Cuajimalpa local office). Period: 12 months. "Every week, I gave 10,000 pesos to Lukini Mercado, so that he in turn could give it to Durazo Moreno. When I was at the Venustiano Carranza local office, my weekly contribution was 25,000 pesos. During this period, I gave only two centenarios for Durazo's birthday and two more for his Christmas gift."

Salvador Neri Guerrero (deputy chief of the auxiliary office of licenses at the Benito Juarez local office). Period: February 1978 to April 1984. "I remember that, on 15 May 1978, I was summoned to the main office of licenses to be informed that, based on instructions from Durazo Moreno, I had to 'influence him' with 15,000 pesos per week. On the same date, I was warned that, if I failed to do so, I would be fired. I paid that amount for 6 months. Then they raised it for me to 20,000, and, a few months later, to 22,000. Obviously, there is no proof of this, but it was a fact that the money went for the construction of Durazo Moreno's houses. Also, during all that time I gave 16 centenarios to Lukini, and every year I gave two for his birthday and two for the boss' Christmas gift."

Jesus Navarro Munoz (he worked in several license offices for 40 years, first at the Cuauhtemoc local office). "I was constantly asked for money for gifts to Durazo. Although I always tried to meet those demands, I couldn't always do so, and for this reason I was transferred to the Benito Juarez local office, where I had the same problem. I was not a member of the trusted group and so, later, I was transferred to the Cuajimalpa local office, where I gave 8,000 pesos a week as a fixed contribution, so as not to be dismissed. Then they raised my contribution to 10,000, with the threat that, if I did not comply, I would be assigned as a crossing policeman or an office employee. I also 'influenced him' with the centenarios. In all, I was forced to give Lukini 10 centenarios."

Jaime Budet Almazan (auxiliary office of licenses, Cuajimalpa local office, since 21 September 1979). "A week after I arrived at that office I was called by Major Vargas Jaramillo, the personal assistant to the chief of the main office of licenses, who simply told me that, in order to keep my job, I had to 'influence him' with 4,000 pesos, to which I had to agree, because I needed to keep the job."

Alejandro Rojas Huitron (office of licenses, Tlahuac local office, since 15 February 1978). "A contribution of 6,000 pesos was set for me and, since I could not pay it, I talked with some individuals close to General Durazo, who recommended that I should discipline myself better, because otherwise they would send me to the mounted police or grenadiers, the worst assignments for punishment. They told me that the least that could happen to me was to be dismissed from my job. There was no alternative, and I consented. In addition to the contribution, I had to give a centenario for Durazo's birthday and for his Christmas gift."

Raul Salvador Quesnel Ortega: "About 20 days after my arrival at the license office (he did not say which one), Lt Colonel Lukini told me that I would have to influence him with weekly cooperation. I refused, telling him that I had no way of obtaining money and would not give him any of my salary. I told him that it would be better for me to return to being Mrs Romano de Lopez Portillo's bodyguard, and that I would tell the lady what had happened. Lukini did not ask me for any more cooperation again."

Leopoldo Rivas Badillo: "At the end of 1979, when Lt Colonel Lukini took over the main office, he started threatening to take away our jobs or send us to the mounted police or grenadiers. He demanded of us a weekly contribution of 2,000 pesos, which we had to start paying as of the first week of January 1980. At first I refused the business of the centenarios, but they raised my contribution to 10,000. In the end, I too had to give nine centenarios for Durazo Moreno."

Rafael Leal Granja: "Two months after my arrival, the office deputy chief, Mario Vega Almada, told me that, at Lukini's instruction, I would have to 'influence him' with 10,000 pesos per week, in order to be able to stay there. In addition to the 10,000 pesos, Lukini demanded of me two centenarios for gifts to Durazo and to keep the job."

Octavio Augusto Navarro Urena (chief of the office of licenses at the Gustavo A. Madero local office; period: 1 year). "I was a personal friend of Durazo Moreno, and at his request, I was in charge of that office for a year. They later transferred me to the Azcapotzalco local office. By then, I had to give Lukini 50,000 pesos per week from both local offices. The money ended up in Durazo's hands. During all that time I gave him 20 centenarios."

Angel Vilchis Zuniga (office of licenses at the Gustavo A. Madero local office). "At the main office of licenses, I met Lukini, who told me that Durazo Moreno had said that I was the ideal person to hold the position of license chief in that local office, but that I would have to pay a weekly contribution, since there was already a computerized system in that office. There was no recourse, and I agreed."

Martha Patricia Ortiz (chief of the auxiliary license office at the Cuajimalpa local office). "On 16 April 1978 I became chief of that office. At the very time of my arrival I was informed that I would have to pay the sum of 4,000 pesos per week to the main office chief, because otherwise I would be fired. I had to agree. I later moved to the Iztacalco local office, where the contribution was 10,000 pesos. Furthermore for Durazo Moreno's birthday various numbers of centenarios were demanded of us, and were collected by Lukini. In all, I gave nine centenarios in order to retain my job."

Julio Ortiz Mancera: "Approximately 6 months after I entered the license office (he did not specify which one), I noticed the movement and, on one occasion, Alberto Rojas Huitron gathered all of us employees from a license processing desk and told us that the situation was difficult because the upper echelons were very strong, and therefore everyone had to cooperate, for otherwise they

would be transferred. They would send anyone who could not contribute enough to a place where he could not obtain a single centavo."

Alfredo Rivera Uriarte: "About 2 weeks after my arrival, Captain Huitron summoned all the personnel associated with the issuing of licenses to his office. There, he told us that he had instructions on his contributions and gifts for Durazo Moreno. Upon leaving, they forced us to give three centenarios."

Finally, Raymundo Olmos García: "In connection with my work, I regularly gave out forms for which I obtained amounts of money ranging between 5,000 and 10,000 pesos per day, that were turned over to Rojas Huitron. When it seemed to him that the amount was small, he threatened to remove me from the desk. All of us who worked there had a number, which we had to put on the license tickets, so that in this way Rojas Huitron would know who handled the form, how many there were and the amount of money that should be given to him."

As part of this investigation, the Federal District's Office of the Prosecutor of Justice found that, using these procedures, Durazo Moreno, aided by Lukini, for whom there is also a warrant for arrest, obtained the sum of 57,642,600 pesos which, according to the documentation contained in the investigation bearing Durazo's handwritten signature, was used to pay the costs of the construction of the aforementioned residences.

Insofar as investigation SC 2103 84, also for the crime of fulfilled threats (extortion), turned over to the 26th criminal court on 16 March, is concerned, whereby, on the same day, a warrant for arrest was issued against the former police chief, testimony was taken from the following individuals, all former commanders of the Auxiliary Police Battalion: David Pedro Estrada Hernandez, Jesus Navarro Diaz, Elpidio Jimenez Gomez, Arturo Camarillo Murillo, Eduardo E. Romano Lopez, Ricardo Garcia Mendoza, Alejandro Alatorre Zepeda, Jesus Hernandez Meza, Manuel Nava Trechuelo, Manuel Almazo Galeana, Pascual Zavala Pena, Alfredo Cisneros Gomez, Jesus Roman Rubio Gamboa and Alberto Madrigal Luevano.

When they appeared, they agreed that, during the past 6 years, from December 1976 to December 1982, every 3 months they had been forced to pay 4,000 pesos per policeman. At that time, there was an average of 7,000 members in that auxiliary police entity.

Those sums went to their immediate chiefs, because an order had been received from the Directorate of Police and Traffic, through the chief of that entity, under the pretext of holding various celebrations, such as Children's Day, Mother's Day, Police Day, etc., whereas they never took part in such celebrations.

The fact is that they had to pay those amounts so as not to lose their jobs. According to their testimony, their chief at the time, Raul Perez Arceo, was also exerting pressure and had to meet the demands; and they sent the money to General Durazo Moreno's secretary.

Raul Perez Arceo, for his part, stated that he began discharging his duties as auxiliary police chief on 1 March 1977, and was immediately summoned by Durazo, who simply "ordered me to contribute the sum of 2.8 million pesos quarterly, an amount that I would have to obtain from the auxiliary police battalion commanders. I complied until my departure, which was due to my refusal to continue being extorted by Durazo Moreno. I only remember that, every 3 months, I would go to the police chief's offices to turn over the money to Durazo or one of his closest collaborators."

The Office of the Prosecutor of Justice found that, during the period when Durazo Moreno was director of police and traffic, he obtained the sum of 67.2 million pesos through that procedure.

From the records of both investigations it was found that the total amount accrued by Durazo was 124,842,600 pesos from those sources alone, and the probe must remain open.

The situation has become complicated for the former chief of the metropolitan police. Based on Section 11 of Article 9 of the Organic Law of the Office of Attorney General of the Republic (PGR), as well as the extradition treaties between Mexico and the United States, the Attorney General's Office requested that the Secretariat of Foreign Relations initiate the procedure for Arturo Durazo Moreno's extradition.

In the joint communique released by the Office of Attorney General of the Republic and the District Prosecutor's Office on the current status of the former police chief, it is stated that there is sufficient evidence to determine that Durazo Moreno has been in the United States and Canada recently, and that he also has personal relations in those country, and has assets or investments in them, prompting the assumption that his stay is permanent or occasional.

2909

CSO: 3248/528

COUNTRY SECTION MEXICO

#### BRIEFS

SAN LUIS POTOSI: FEDERAL MONEYS -- Ciudad Valles, San Luis Potosi, 2 March -- Today, at the meeting at which the San Luis Plan headed by President Miguel de la Madrid was announced, the undersecretary of regional development for the Secretariat of Programing and Budget, Victor Manuel Camacho, disclosed that the federal government would invest 60 billion pesos this year in works projects to be constructed in this state. Last among the activities carried out by the chief executive on this tour of the state, at that meeting Camacho Solis said that the features of this plan were as follows: to promote the industrialization of capital, agricultural, livestock and fruit growing development in Huasteca and attention to the arid areas. In other words, he stressed, what is being sought is "a more balanced development with productive backup for social welfare." He noted that the investments to be required by the plan originate from treasury and financial funds and that, to meet the needs of this project, during 1984 29.54 billion pesos will be spent by the federation and credit amounting to 29.4 billion will be made available. He remarked that, including the regional programs, this year 60 billion pesos would be appropriated for the state. At this meeting, the state governor, Carlos Jonguitud Barrios, pledged that the priority projects would continue until they were completed, and would not be left to whim or chance; something that will mean a positive benefit for the people. [Excerpt] [Mexico City EXCELSIOR in Spanish 3 Mar 84 pp 1-A, 12-A] 2909

CSO: 3248/530

# REACTION TO CLOSURE OF OFFSHORE U.S. MEDICAL SCHOOL NOTED

Castries THE WEEKEND VOICE in English 10 Mar 84 p 1

[Text]

THE University of St. Lucia School of Medicine (USLUM), an off-shore United States medical institute which opened here last September formally folded up its operations here last week.

The school which began here with a student body of 110 which later grew to 136 was to provide services to the Victoria Hospital. Castries with the aid of visiting specialists to the school who would lend their assistance in specialized fields such as immunology and embriology to name a tew, as well as providing post graduate instruction to students.

Last Wednesday at an emergency assembly Associate Dean of Faculty, Dr. C. Denis Peterson, emotionally announced the pending closure of the school to students, telling them that alternative plans had been made for him either to go to the off shore school in Grenada, or to return home to the U.S.

But not all the students were fortunate enough to receive the news from the Dean. Students who did not attend the assembly were to receive the "blow" later.

One young student, a major in embriology said that he was in his room ironically studying for an examination when he received the news.

"It was about 12.30 p.m. on Wednesday when I was studying for an important exam, that some of my fellow students came up to me and asked me what was I going to do. Well I was lost, then they told me that the school was closed, officially on that day.

"I understand that the heads of the school had made a deal with the school in St. Georges, Grenada, to sell our equipment, some cadavers and so on to them. This is really a catastrophe, and it has messed up a lot of people's lives, because many of the students who had families and so on, sacrificed a lot to come to school down here.

"For myself, well I'll just go to Grenada, what can I do. Luckily I quality to go to that school. I am one of the lucky ones because, St. Georges can only take in a certain number of us."

And what qualifications are necessary for admission to St. Georges?
According to this student, majors in the "big" courses such as biochemistry, histology and embriology.

But, Dr. Peterson disagrees. He said: "The medical institute in Grenada, agreed to take in all of our students. When we realized that the school could not continue its operations here we began looking for alternative places for our students. St. George's is one of the well-known institutions in the Caribbean and they agreed to help us out.

"All of our students are eligible to go to that school but some students are unique additional qualifications and will have to go back home to the US to make up their deficiencies. When that is done they can return to the Caribbean, to continue their studies in Grenada."

Another student who was not so tortunate to be going to Grenada, a would-be general practitioner when asked about his plans for the future simply replied "I'm gonna hang myself. I really don't know what I'm gonna do. People here don't really understand what is happening. The government did not want to benefit the school. We needed an anatomy lab. We weren't thieves, everybody here was here for a reason which was to study medicine, we weren't playing games and nobody wants to go home."

Administrative Head American Bruce Blanding said that three factors

were mainly responsible for the pull out.
"In addition to experiencing financial difficulties, there were political problems and we were not able to provide the kind of education we wanted to"

Dr. Blanding said he did not wish to explain the nature of the political problems, but added that his organisation did not get the kind of co-operation we were hoping to receive from various places."

A Government spokesman denied it had caused any difficulties for the school.

A senior official in the Ministry of Health said the Government had not been informed of the decision.

"We knew nothing of it until a student reported the matter to us yesterday," he said, adding that he was aware that the university had been negotiating with several business houses for a venue to establish its institution but had not been able to meet the cost involved

The official said that any political problems could not have come from the St. Lucia Government "Cabinet had from early laid down the conditions under which the University would operate and left it to the Ministry to see that these conditions were adhered to, so that there was no further communication with the University authorities at the political level.

Many of the students say that the school failed because of bankruptcy caused by the way it was being run and the unwillingness of the Government here to "play ball," but Dr. Peterson said that it was simply "a combinator of a lot of things, and not any one thing can be pointed at " Local Legal Counsel for the school, Mr. Steven McNamara, was not available

Chef Harry of the Green Parrot Hestaurant is one of the many St. Lucians who will suffer by the loss. He said that more than 50% of his cutel's occupancy was permanently booked by the students. He learnt of the closure on Wednesday.

"And I am so shocked I really don't know what to say Since the students were here almost all of my rooms were always occupied. When other guests came, I had to send them away. Now I am just left hanging. I received a cheque for EC\$50,000 from the school to cover all the costs, but it has not yet been cleared by the bank."

One young aspiring physician looked at another effect of the schools closure. "In the entire institution students bought about 30 cars, brand new. These will all have to be gotten rid of as quickly as possible

Finally, Dr. Peterson who may go to Grenada to continue work there with his students said that the closing of the school was shocking

'We had really settled here well. All of us. St. Lucia is an easy place to live in and we were all very happy here. I feel like I have been dealt a mortal blow. I have been in shock since I heard the news and I'm still in shock, I don't want to go.

CSO: 3298/666 SALE OF HOTEL TO U.S. INTERESTS WILL BRING LAYOFFS, CASINO

Castries CRUSADER in English 17 Mar 84 p 1

[Text]

The largest Hotel in St. Lucia The Halcyon Days-Hotel in Vieux Fort will soon be sold by the Government of Prime Minister John Compton in a deal with an American firm wishing to operate a Casino in St. Lucia.

Halcyon Days is jointly owned by the Government of St. Lucia and Saint-Seal Holdings a British firm which was connected with Pegasus Holidays. The Hotel was configinally in liquidation in 1974 when its owners Court Line went into liquidation. Court Line came into St. Lucia turing the United Workers Party Administration and Mr. John Young its Manager became a personal friend of the Compton Family. The Liquidator for the Hotel from the early John Young days has been Mr. Willie Rapier who had worked out a number of clever short-term arrangements to keep the Hotel ticking-over profitably during the liquidation period.

When The Compton Government was pusted in 1979 the Labour Government moved to acquire joint ownership of the notel in an effort to protect the jobs of the 500 St. Lucians employed there. In the ransaction worked out by the then Labour Sovernment the land on which the hotel is placed belonged to the Government which in turn leased the land to the Joint Company (Government and Saint-Seal Holdings) for 21 years at a cost of some \$70,000 per annum.

In recent years the Company claims that the financial picture has been bleak and Mr. Willie Rapier has once again been conducting negotiations to sell the Hotel.

An American firm recently offered to buy the Hotel from The Compton Government on the sole condition that A CASINO LICENSE IS GRANTED to the purchasers.

Recently the workers at the Halcyon Days Hotel had heard rumours that their services would be terminated since the Hotel is being sold to a Private Investor. The National Workers Union which represents the almost 400 workers now employed at the Hotel extracted an agreement from the management that the change in ownership of the Hotel should not affect the workers at the Hotel and they would be absorbed in when new venture.

Contrary to this understanding the workers at Halcyon Days Hotel were all issued with termination notices saying | that their employment would be terminated on April 30th and their redundancy payments would be made after the Hotel was sold. The reply from the prospective Government to the purchasers was due on March 15th. The Government has opened no public discussion on the question of granting this controversial license for gambling and Casino operations on the island. However the green light has been given to the American Company and the sale is apparently scheduled to take place.

Rumour has it that certain persons interested in the transaction and the Government have been quietly trying to neutralise Church opinion on the Casino issue.

Meanwhile the workers at Halcyon Days have refused to accept the Termination letters sent to them by Management. One worker said: "If the Government is saying that Tourism is starting to pick up why is it now trying to sell the Hotel." Another Vieuxfort man working at the hotel commented that "This Hotel can make money but certain people have other interests and they are sabotaging Halcyon Days. We don't want any Mafia Casino here."

CSO: 3298/666

REPORT ON TANNIS TALKS WITH EUROPEAN LEADERS

Kingstown THE VINCENTIAN in English 23 Mar 84 p 1

[Article by Zan Lewis]

[Text] Foreign Affairs Minister, Hudson Tannis, has just returned from visiting West Berlin, Brussels, and London where he held talks with high officials on the possible extension of the Arnos Vale Airport improvement to our tourism, and agriculture. He spoke to the press on Wednesday.

The Minister first went to Berlin and held talks with Director of the German International Development Foundation.

From Berlin he went to Brussels and held discussions with the European Economic Community with view to determining what level of assistance would possible for our Arrowroot Industry with particular reference to the stabilising fund Stadex thus securing funds for the protection of our Arrowroot Industry with particular reference to the stabilising fund Stadex thus securing funds for the protection of our agricultural economies from natural disasters or the economic climate of the world. Discussions also centered around Belgium to providing equity for marketing of the product. Aid for tourism was also discussed. It centred around the financing of brochures, other advertising material and the erection of road signs. Belgium also agreed to look into the possibility of assisting in the co-financing of the Arnos Vale airport. Assistance with the improvement of the tourist amenities at the Falls Beliene and of certain areas in the Buccament Valley and with enclosing Carib artefacts were also discussed. The possibility of a cultural agreement between St. Vincent and the Grenadines and the Flemish Authority through the Belgian government was mentioned.

From Belgium Tannis went to London and held talks with the Foreign Secretary and the Minister responsible for Overseas Development, in an effort to obtain financing for the extension of the Arnos Vale Airport.

Tannis told journalists that in 1978, the British Government promised this state 5 million pounds on grant terms and 5 million pounds as a loan. It was the loan which he was seeking to help extend the airport.

The Minister noted that when talks were held in 1978, there was no indication that funding would have been given over a period of years. Tannis noted that if the 5-million-pound-loan is to be given in the same fashion, with the rate of the sterling falling against the US dollar and the conditions existing in the world economy, by the end of the another six-year period the value of that 5 million pounds will be noticeably depleted in terms of development efforts. Unless payment is made now, we would have had a mere promise with very little substance, Tannis said. "Had we known in 1978 that such a situation would have existed, we would have argued that the money be paid in constant 1978 terms, so that what ever the devaluation of sterling would have been we would not have been seriously affected.

The Minister found it very difficult to believe that Britain is experiencing financial difficulties when she could have afforded to pay 500 million pounds to secure the Falkland Island. "St. Vincent is not asking for something but seeking something what was promised to us", he said.

The Foreign Affairs Minister highlighted the fact that there is talk of St. Vincent having an international airport, such talk he said is unrealistic. What is being attempted is to extend the Arnos Vale airport of about 7000 feet to create an opportunity for intermediate range jets to take off and land. Mr Tannis further noted that St. Vincent will welcome any assistance given from other friendly governments either in technical help or cash.

CSO: 3298/668

EDITORIAL HAILS REOPENING OF ELECTRONICS PLANT

Kingstown THE VINCENTIAN in English 23 Mar 84 p 1

[Front Page Editorial: "Peace With Pico"]

[Text] The return of Pico (St. Vincent) Ltd under apparently amicable conditions is a boon to the country.

First of all a comparatively large number of women and their families will retain an economic source. This is especially crucial in St. Vincent's currently depressed state. The unemployment situation is so drastic that anything that can be done to check a further slide in the availability of work opportunities is very important.

Second, the removal of the Pico operation from our industrial science against a background of hostility and resentment could have damaged our changes of attracting investment for the establishment of industries under the Caribbean Basin Initiative. Such an eventuality could have nullified all the strenuous efforts that both government and the St. Vincent Chamber of Industry and Commerce are making to create a climate for investment that will entice foreign (especially US) entrepreneurs to our shores.

Third, the arrangement of terms within the framework of our Constitution is a welcomed. The remour that in its anxiety to preserve jobs Government was considering an agreement that would contravene our Constitution has been proved to be false. What a relief!

The Chamber of Industry and Commerce played a role worthy of its recent programme aimed at promoting of collaboration and an understanding between all the segments of involved in the nation's economic life. The contact made by the CIC Executive with Pico's management must have contributed to the restoration of goodwill.

Also due for commendation is Government's mediatory attitude in the whole dispute. The Prime Minister's good offices as he participated personally in the final talks must have stimulated confidence on both sides.

Perhaps good will come out of what looked like disaster. Perhaps the lessons embodied in the Pico affair might help workers Unions and employers to greater patience, and a better understanding of each other.

CSO: 3298/668 58

COUNTRY SECTION SURINAME

### BOUTERSE SEES CONTINUED THREAT FROM LIBERATION COUNCIL

The Hague ANP NEWS BULLETIN in English 2 Apr 84 pp 1-2

[Text] Paramaribo/The Hague, April 2--Surinam's left-wing military ruler Desi Bouterse called for vigilance against 'the mercenary threat' in a speech in Paramaribo over the weekend, Surinam's official news agency, SNA, reported.

#### Dutch News

The speech followed the arrival in the Netherlands last week of 16 men who were expelled from French Guiana for allegedly plotting a coup against Bouterse's regime in neighbouring Surinam.

SNA quoted Bouterse as saying the expulsion of the 16 did not mean that the threat of a coup attempt, led by the Dutch-based council for the Liberation of Surinam, had passed.

A leading member of the exiled opposition group, Glenn Tjon Akiet, was among the group expelled from French Guiana. All 16 members of the group were of Surinamese origin. Most of them carried Dutch passports.

Surinam's Ambassador to The Hague, Henk Herrenberg, flew to Paramaribo for emergency consultations with his government on Saturday.

## No Charges

In his speech on Friday Bouterse said there were contacts between the Liberation Council and French and Dutch intelligence services.

He also accused it of trying to enlist United States support to overthrow his government, SNA reported.

Bouterse claimed that Brazilian and American pressure had led the French authorities to expel the alleged plotters rather than charge them, the agency said.

He said if relations between Holland and its former South American colony were to improve then the Dutch government would first have to break all links with the liberation council, SNA added.

Following Friday's cabinet meeting, Dutch Prime Minister Ruud Lubbers said the government had no grounds to press charges against the 16 alleged plotters expelled from French Guiana.

The government therefore had no reason to upbraid the Council for the Liberation of Surinam, he said.

The cabinet maintained its position that the liberation council should not become involved in armed resistance to the Bouterse regime from its base in Holland, he added.

As far as the government was concerned, the matter was now closed, Lubbers said.

CSO: 3200/19

COUNTRY SECTION SURINAME

BOUTERSE SEEN RULED BY FEAR, HELPLESSNESS

Zurich NEUE ZUERCHER ZEITUNG in German 1/2 Apr 84 p 6

[Article by "mue.": "The Bloody Hands of Desi Bouterse"]

[Text] Parmaribo, March 1984--In the pitch-dark tropical night, at 0230 horus in the morning, the dimly lighted arrival hall at the airport of Paramaribo is not exactly inviting. Already on the way there from the plane, two or three shadowy figures in uniform, armed with rifles, had emerged at the edge of the runway. At least three military policemen are looking over the shoulder of the official checking the passports and issuing visas. His brown uniform, just as later the brown uniform of the customs officer, certifies him to be a policeman. Now and then the man in brown tells them something in a low voice. Their bright yellow helmets display the letters MP in red, and their beige trousers and lime-green shirts are separated by a snow-white belt, from which a pistol is suspended in a cloth holster of the same color. From a red-white-green frame, the bearded mestizo face of Commander (of the armed forces and the "revolution" Desiree Bouterse looks down on the colorful, if slightly spooky scene. Bouterse's dark hair is covered by a cocked light-brown beret decorated with a redgolden badge, and around the neck of his beige military shirt one can see part ofa white coral chain.

Welcome with Military Police

The five or six dozen Surinamese who have returned home from Belem in Brazil laden with sacks, suitcases and packages are processed slowly but not all that thoroughly by passport control and customs. A foreign journalist needs a visa, obtainable only here at the airport—not at any other border control, or even at a mission of Suriname abroad. It is a pure formality: on being told that one plans to stay 4 or 5 days in Suriname, the official stamps a visa for a whole month into the passport. By now it is 0315 hours; in other words the curfew (from midnight to 0400 hours) is still in force. It is known that during this period the military can make use of its arms, and has done so without a qualm. So will we have to wait until 0400 hours? By no means. Taxis, a bus and a lot of private cars take the new arrivals to the capital 50 kilometers away, where the first early risers are already on their way, before the end of the curfew.

First impressions are important, and the directors of the welcome ceremonial at the airport apparently realize that. Once one reaches the streets of Paramaribo, one hardly ever sees any men in uniform any more. The military presence is much more evident in Brazil's towns than in the capital and villages of the Surinamese military dictatorship. True, the regime of Bouterse and his handful of sergeants is a fact one can hardly deny, or at any rate deny only at the risk of one's life, but the life of society and of the individual is affected by it only very partially and often only very indirectly.

### Intimidation

There is no freedom of the press, of course, but Surinamese can freely move within the country and may go abroad (being permitted twice a year to take with them the equivalent of 850 U.S. dollars), the activity of churches and sects is not restricted, and so far the "revolutionaries" have hardly interfered in economic spheres. Considering that the "revolution" is generally invisible, the disproportionate number of military police at the airport probably is only meant to remind foreigners and returning natives that the small army has—or would like to have—the say in Suriname. Intimidation—that is the sole purpose.

To put it caustically, intimidation is just about the only thing the self-declared rulers have achieved—in the 4 years since the coup which was no coup. They did not have a program on 25 February 1980 and they do not have one today, apart from diffuse anit—imperialist rhetoric and some quite reasonable sounding economic declarations of intention. The Surinamese revolution is a tropical farce worthy of the descriptive skill of a Graham Greene. The fact that for a brief brutal moment in 1982 it escalated to a dance of death is probably as inexplicable to the military men around Bouterse who rose to a bloody frenzy at that time as it is to the Surinamese horrified by the night of terror from 8 to 9 December when 15 oppositionists were massacred.

## The Riddle of a Mestizo Society

Bouterse (whether or not he personally participated in the murders is known to only a few) has twisted and turned in embarrassment since that time, talking about "unfortunate events," but so far has neither bowed to international, particularly Dutch, demands for clarification nor had a word of apology toward "his" people. As yet the Surinamese living in the country have put up with it. In fact, in January of this year there has begun something of a slow political reconciliation with certain civilian circles, particularly some trade union leaders and businessmen.

But the shock lies deep. The Surinamese, racially and traditionally one of the most heterogeneous "peoples" anywhere, are reserved and peaceful, being inclined far more toward fatalism than toward violence. Knifings and gunfights, part of the everyday life in Latin American neighboring countries, are something unusual here. Mysteriously, emotional excess, hate or envy generally find expression in arson. An almost notorious urge to set things on fire reveals an insidiousness in the outbreak of violence which might have to do

with African magic and Asiatic atavisms, with the suppression of emotions and (dare one say it?) the mixing of races.

# Political Fragility

Open violence is held in abhorrence at any rate. This also normally characterizes the political confrontation. The four or five sergeants around Bouterse, you see, did not seize power in a bloody revolt; it literally fell into their lap. It was one of the peculiarities of Surinamese politics already before independence in 1975 and until the "coup" of 1980 that in case of the slightest indication of opposition (the oratorical civilian kind, mind you!) the governments would fall apart. The many racial elements, a "colonial" reluctance to take resolute action, almost a distaste for defending one's position in open confrontation created a peculiarly fragile imbalanced political base. The military at that time was arguing in favor of more pay, the government had spent its strength in internal quarrels—and the power was Bouterse's.

So there he stood with his comrades, at a loss, irresolute, hesitating. Into the ideological and programmatic vacuum sprang two tiny extreme leftist parties. Suddenly seeing a ray of hope, they took the sergeants in hand in order to realize their own utterly unrealistic aims. The march or rather, groping, toward "democracy at the base," anti-imperialist solidarity of the Third World," and in the final analysis probably a blend of socialism — against the will of the entire people, intellectuals as well as workers, importers as well as journalists. Bouterse too, not an intellectual by any means but a streetwise tactician, felt ill at ease in the face of so much radical nonsense. Though definitely flattered by having been assigned the role of commander of the revolution, he adopted a wait—and—see attitude toward his project planners. In certain things he yielded, but in a great many he did not. Neither the U.S. nor the Dutch bauxite concern was nationalized. The media, already having been subjected to an informal system of self-censorship, rather than being "unified" were told at most to exercise a little more internal control. The "revolution" was in limbo as it were.

# St Bartholemew Massacre Under Palm Trees

The situation, largely undecided even after a couple of years, caused the traditional politicians, deprived of power and pushed aside, businessmen who feared for their companies after all, and journalists who felt it was up to them to become saviors of democracy (at least to the previous degree) to begin the game of "destabilizing" the government, a game which time and again had been successful in the past. There were intrigues against the military from all sides, highly justified but not too well documented criticism was voiced, and finally there were open attacks against the awkward non-commissioned officers (only Bouterse had since he had appointed himself first lieutenant). Judging by past experience, this would have had to result almost automatically in the overthrow of the rulers, but the opponents of the shaken Bouterse clique, a dictatorship for the first time in history and a military one at that, had committed a tragic error: the customary mechanism did not work any longer, and the ridiculed military resorted to the

only instrument it had learned how to handle. Primitive violence broke through, imprisonment, torture and finally (according to rumors and presumptions) downright slaughter of 15 spokesmen of the opposition. A St Bartholomew Massacre under palm trees, amid almost cozy colonial scenery at an old Dutch fort on the sea.

The only explanation for the massacre is utter frustration and complete helplessness. Perhaps the only thing to compare it to is the bloody storm unleashed by the Khmer Rouge against the just as peaceful Cambodia (though for totally different motives—ideological blindness, which is something Bouterse does not suffer from). This may seem farfetched, but in something close to a village community, where everyone still knows everyone, the murder of 15 well—known persons had a devastating, utterly paralyzing effect. This may have been exactly the thinking in the hands of the radical clique around Bouterse; what actually happened is known only by them and the "leader of the revolution."

## In a Trap

Since that time he has been the prisoner of a bloody deed which he possibly did not intend at all but for which he must bear full responsibility. Development aid from the Netherlands (because of a lack of projects, by the end of 1982 only about half of the 3.5 billion guilders promised in 1975 had been issued) was suspended, and the United States also immediately withheld its comparatively modest aid. Without this money Surinam will go bankrupt sooner or later; so far it has been able to live on its foreign-currency reserves, which were still fairly respectable in 1982. Bouterse can hardly fulfill the most important condition for the resumption of payments — a complete clarification of the events of 8 and 9 December — because, figuratively or literally, that would cost him his head.

Thus the country remains paralyzed up to its political leadership. There has never been any revolutionary elan anyway. Bouterse is in a trap. When the Americans intervened in Grenada, he must have stared at his bloody hands, being afraid of what might happen to him now that the murder of Bishop had prompted the big power's invasion. The only thing which occurred to him was to send home a few Cuban diplomats and advisers of the revolution, allegedly because the relations with Fidel Castro, "friendly" in principle, had become difficult to size up. Helplessness prevails in friendly Surinam, which has been aroused from tropical drowsiness. The "revolutionaries"—in spite—of—themselves are at their wits' end—and everyone is afraid.

8790

CSO: 3620/229

COUNTRY SECTION SURINAME

#### **BRIEFS**

LABOR LEADERS' TRIP POSTPONED--The Hague, April 9--Surinam's trade union leaders have indefinitely postponed a visit to Holland this month to discuss resumption of Dutch development aid to the financially-strapped former Dutch colony, a spokesman for the Surinamese C47 trade union organisation said here today. C47's Chairman Fred Derby said in February that leaders of Surinam's major trade union organisations would visit Holland in April to discuss renewed financial ties with the Dutch trade union movement. Dutch government and union aid to Surinam was suspended following the December 1982 killings of 15 prominent opponents of Surinamese military strongman Desi Bouterse. The C47 spokesman said the visit was postponed to allow Surinam's trade union movement to concentrate on establishing new democratic structures there and to find a solution for the country's dire economic problems. He said these matters currently had priority over a visit to the Netherlands, and said he did not know when the visit would finally take place. He said Surinam's trade union organisations would inform their Dutch counterparts of the postponement later this week. [Text] [The Hague ANP NEWS BULLETIN in English 10 Apr 84 p 5]

CSO: 3200/19

COUNTRY SECTION TRINIDAD AND TOBAGO

## TOBAGO GEARS UP FOR ELECTIONS TO HOUSE OF ASSEMBLY

Port-of-Spain SUNDAY EXPRESS in English 18 Mar 84 p 2

[Text] THE Elections and Boundaries Commission has begun preparations for elections to the Tobago House of Assembly due not later than November 26.

This was disclosed by Isaac Hytali, former Chief Justice who became Chairman of the Commission on October 1 last year.

In an interview at the Crown Reef Hotel in Tobago on Monday, Hyatali recalled that the first elections to the Assembly were held on November 24, 1980. But the results, he pointed out, were not announced until the following day.

"It would seem then, that elections should be held on the day after the 25th of November 1984, for after that date there will be no Tobago House of Assembly," he said.

Section 20 of the Tobago House of Assembly Act states: "The term of office of members expires on the last day of every successive four-year period, the first of which is deemed to begin on the day upon which the member was elected to office."

However, before the new elections are held, a report on the first in 1980, submitted by the Commission under its former Chairman, Alan Reece, has to be debated by Parliament. This report, according to Hyatali, was submitted in September last year, but it is still to be laid in Parliament.

"There are certain recommendations made in that report which I cannot disclose since the matter is still to go before Parliament. But the report deals with the results of those 1980 elections and the boundaries as they existed then, with the recommendations of the commission," he explained.

"These recommendations have to be accepted by Parliament with or without amendments and then the stage will be set for the 1984 elections. The President will then issue an order and a date will be set for the new elections," said Hyatali.

Meanwhile, the newly constituted Commission has commenced laying the ground work for elections in November. But vitally important to these arrangements

will be parliament's consideration of the 1980 Report and whether or not there may be changes to the boundaries which now mark out the 12 constituencies in Tobago for elections to the Assembly.

The Commission, Hyatali explained, would have to carry out a registration of voters for the Assembly elections. But he foresees no problems here.

Hyatali and other members of the Commission have already visited existing polling divisions in the island, and have had discussions with the Commission's staff in Scarborough.

The present Assembly is controlled by the Democratic Action Congress which won eight of the 12 elected seats with DAC leader ANR Robinson assuming the post of Assembly Chairman. The PNM is in opposition with four seats.

Three councillors were nominated by the elected members.

cso: 3298/671

PRODUCTIVITY COUNCIL HEAD QUITS; TALKS OF DISTRUST AND HOSTILITY

# Henry's Explanation

Port-of-Spain SUNDAY EXPRESS in English 18 Mar 84 pp 1, 3

[Article by Gregory Shaw]

[Text] DR RALPH HENRY has resigned as Chairman of the National Productivity Council in the wake of reports that Prime Minister George Chambers was "displeased" with the operations of the Council.

He has tendered his resignation to Joe Pires, Vice-Chairman of the Council, in a letter dated Wednesday, March 14 and effective immediately.

Dr Henry also gave as grounds for his resignation the fact that the Ministry of Information was "carping" over the Council's plans to broaden its publicity campaign to include discussions in non-Government-controlled programmes in the media. The Ministry, according to Dr Henry, was also raising objections to the participation of labour representatives in the Council's proposed forums.

Dr. Henry told the Sunday Express on Friday that he had been informed by his colleagues in the Labour Congress that the Prime Minister "was unhappy with the trend of the Council's work" and had personally expressed displeasure that it had "taken on a political coloration."

Chambers had made his views known at a meeting held earlier this month with members of the Trade Unions Congress and these views had been reported to Dr. Henry last week.

Dr. Henry said that since the Prime Minister had indicated his dissatisfaction, he was "not taking it lightly," and he was "interpreting it as a message from the political directorate."

Dr. Henry, who had been virtually handpicked by Chambers at the Chaguaramas Productivity Consultation in mid-1982 to head the Council, told the Sunday Express he was "disappointed" with the response of the Prime Minister.

He recalled that Chambers had said at the end of Productivity Consultation that "it would please" him if Dr. Henry were made Chairman. Dr. Henry said that he had insisted from the very outset that for the Council to be

effective it had to be independent, and in an early briefing session Chambers had agreed.

He had thought the Prime Minister had realised that "we have to level with one another in order to deal with the very serious problems facing the country." He had felt that Chambers

would have been more sensitive to the national interest and "put merely personal sensibilities aside."

"I cannot be effective if the people who have to implement the recommendations of the Council are inherently hostile," Dr. Henry said.

In his letter of resignation, Dr. Henry also referred to stumbling blocks which were being placed in the way of the Council by the Ministry of Information.

He told the Sunday Express that last week he had also learnt that the Ministry was resisting the Council's attempts to "open up" the debate on Productivity. The Ministry was "carping" at having labour resentatives take part on productivity forums, "since they might express views that were negative towards the Government or that could cause some discomfort."

The Ministry was also "refusing to allow the Council to publicise its campaign in open forums other than on Government-sponsored or Government Broadcasting Unit programmes on the electronic media." Dr. Henry gave this as his second reason for

resigning.

He said that as Chairman of the Council he realised that he had become "very much identified in the public eye and in the eye of the politicians as one of its main spokesmen." He felt that if there was a "negative disposition and distrust" towards his chairmanship on the part of the political directorate, then there was little chance that the Council's recommendations would be implemented.

implemented.

"They may say they accept the recommendations, but, in the end, when nothing happens, the Council will be made to look absurd in the eyes of the public. I cannot bring that upon my fellow members of the Council," Dr.

Henry said.

The tremendous amount of voluntary work being done by the Council would all "come to nought," and he would be doing the greatest disservice to the country and to other members of the Council if the work of the Council was seen in such a poor light "because of me and the way I have been verbalising the views of the Council."

Dr. Henry thought that it would also be a disservice to the Labour Congress which was moving towards greater participation and involvement at all levels of national life. (Dr. Henry is one of two representatives from the Congress on the 22-man Council. A third labour representative comes from the Council of Progressive Trade Unions.)

Finally, it would be a disservice to himself if, rather than accomplishing something, he

was "really wasting time." He was departing in order to make room for someone whose recommendations would be more easily accepted. "I cannot in good conscience stay," he declared.

With regard to the dispute with the Ministry of Information, Dr. Henry pointed out that the Council had no independent source of finance and "by no stretch of the imagination" could it accomplish its goals with the

funds that were allocated.

There was a lack of appreciation as to what was required in terms of publicity and "sensitising" people. There was a need to "bombard people with the message," and this could not be accomplished through Government broadcasts from which people "psychologically switched off." There was need to reach a wider audience, Dr. Henry said, to touch people at individual levels "because productivity is the most serious problem facing the country."

The Council had envisaged tripartite forums in which representatives from labour, management, and a third, "more neutral" party would engage in discussions about productivity. But Dr. Henry said he had been informed by the Council's Executive Director that there was "a certain reluctance to have anybody from labour say anything on radio

and on television.

Dr. Henry said he had "thought long and hard" about his decision, but had given no warning or indication of his intentions. In its fourth Report the Council had indicated its intention of continuing in office to June 1984, at which time it would review its position. Dr. Henry said that he himself had been prepared to "go the distance" until June. Now he expected that his decision would take everyone by surprise.

Dr. Henry's tenure as Chairman of the Council had been surrounded by some controversy from the beginning. In an interview with the EXPRESS in June 1982, shortly after the Productivity Consultation, he expressed some misgivings, and admitted to being initially "taken aback" by Chambers' proposal that he should head the Council.

He wondered whether the Government was serious, or whether the appointment could have been "an attempt to put labour in an embarrassing position by putting the movement ostensibly in charge of a situation in which it had no authority to do the things necessary to achieve success."

Dr. Henry is a public servant seconded to lecture in economics at the University of the West Indies, St. Augustine. He is also a trustee of the Public Service Association.

As Chairman of the Council, he has been unusually outspokenin his criticism of the non-productive aspects of the economy and the Government bureaucracy. The Council's reports, the fourth of which the Sunday Express obtained last week, have also been completely frank.

Although appointed by Government, the Council has had to fight hard to establish its credibility with Government, and only obtained its offices on the fifth floor of the

Salvatori Building in August of 1983.

According to Dr. Henry, there has been continuing resistance and non-cooperation from several Government opertments and

ministries.

And as recently as February this year, at a Labour symposium sponsored by the public sector trade unions, Dr. Henry promised to resign if he felt that his position in the labour movement was "compromised" as a result of his chairmanship of the Council.

### Assessment of Council's Work

Port-of-Spain SUNDAY EXPRESS in English 18 Mar 84 pp 3, 37

[Text] DR RALPH HENRY spoke in the frankest terms on Friday about his experiences as Chairman of the National Productivity Council. "My experience has frightened me," he said in an exclusive interview with the Sunday Express.

What he saw of the workings of the Government and the bureaucracy had led him to conclude that "the outlook for the future is bleak. The future of our children and our own pensions are all jumping up."

Dr. Henry said that Government agencies were often characterised by "total inertia" and there was "a whole orientation towards non-accountability." They had become "accustomed to non-performance." The bureaucracy just wasn't functioning, he said. Government agencies were "working at cross purposes."

Dr. Henry repeated a previous criticism that the whole country was now organised to function like DEWD. "Things are not in place, and those who are supposed to put them in place are tardy ... the habit of non-performance has eaten into the national psyche."

"A lot of us on the Council are worried about the economic situation," he said. Oil was a depleting asset, and the trend was for prices to fall, (although the Iran/Iraq war may provide some respite). "The country, therefore, has to earn its keep by producing a whole range of things."

But the people "were just not organised to deal with the world out there." Dr Henry declared. "I don't care what the system is, capitalist, socialist, or mixed, you have to be on the ball, you have to generate the produce."

In relation to the much-touted export drive, Dr. Henry pointed out that "we take so long to get into the act, other countries are bound to get the jump on us." As an example, he cited the one-year gap between the announcement of the formation of the Export Corporation and its actual implementation.

Whether it was South Korea or Yugoslavia, (although he detested the repression), "people were clear about the need to coordinate their export thrust. How can we compete with other countries where things go like clockwork?" he asked.

We have to realise that we are in a situation where we have to compete with "very aggressive cultures that have an entirely different orientation to ours," he added. "We need not adopt all their methods, but there are pages out of their books we ought to copy."

Dr. Henry noted that the Productivity Council had "courted unpopularity in certain quarters" by its criticism of the Form EC-0 procedure. "We got a very rude response from a certain quarter," he said. The Council had sought a meeting, but was told that it was "not likely we would be able to meet now. or in the near future."

"Meanwhile Rome was burning," Dr. Henry observed. Importers were having their inputs held up on the docks, jobs were being placed in jeopardy, there was the threat of people being sent home and of prices going up. "In the national interest we had to say something," Dr. Henry said

Even now, there were problems still to be ironed out in relation to the EC-0 forms.

Dr. Henry identified a number of problems which were affecting the Export Thrust and productivity in general. Chief among these was a lack of coordination among Government departments.

For instance, there was no single overseeing agency or linkage to advise on appropriate technologies. The IDC, Export Development Corporation, CARIRI, NIHERST, Central Bank and the Ministry of External Affairs were all operating more or less in isolation.

Dr. Henry noted that the Permanent Secretaries used to meet regularly and the Council had recommended that the practice be reinstituted, "but it just hasn't happened."

"We are just not putting together our resources," he said. A case in point was the training of workers. There were two agencies involved—the National Training Board and the Adult Education Division. "If they could collaborate they could identify how best to treat with the clientele they had to serve," Dr. Henry said.

The Council met with them in September 1982, and in October of that year it recommended that the agencies collaborate. They met again in September 1983, only to find that no attempt had been made at coordination, even though all parties had agreed on it. They met again six months later and still nothing had been done.

The Productivity Council had seen its role in terms of "an Ombudsman with a voice." It had set itself the task of monitoring state agencies and takin, them to task where they fell short. Certain people were "embarrassed" when reports were made public and names were called, but this was "the only way to get anything done."

The political directorate ought to cooperate with the activities of the Council, Dr. Henry felt. It ought to urge Government agencies to "respond" to its recommendations.

Dr. Henry thought that because the Council was operating independently people were beginning to "respond to the threat of a bad report." People should be called to account, he maintained. The state had developed in such a way over the years that we needed now to place the issue of accountability at "centre stage."

Few Ministries or Government departments produced annual reports, he noted. There was need for a statement as to what exactly each agency had done for the year, and what it intended to do. People in government agencies were "living from day to day, without any sense of goal or purpose."

of goal or purpose."

Dr. Henry said that, while on current evidence the outlook was bleak, he "lived in hope. We can turn around," he concluded, "but we need to continue prodding and working at it. And people must be broadminded enough to accept criticism."

Council's Report to Government

Port-of-Spain SUNDAY EXPRESS in English 18 Mar 84 p 3

[Text] TWO WEEKS ago the National Productivity Council wrote Prime Minister George Chambers, submitting its fourth report. According to Dr Ralph Henry, the report was supposed to be released to the press last week. Up to yesterday morning, the Sunday Express had not received a copy and one had to be personally obtained from Dr Henry.

The report, which deals mainly with the operations of Government agencies, contains criticisms and suggestions that could be construed as politically sensitive. Among the Ministries that got searching looks from the Council was the Ministry of Industry, Com-

merce and Consumer Affairs.

The Council stated that it held two meetings with this Ministry at which it drew the attention of Ministry officials to the urgent need for a system of prioritization of imports in conformity with the industrial development and export marketing thrusts, as well as with the initiatives to budget foreign

exchange resources.

It was agreed that there was need to further streamline the operations of the Ministry in order to increase the flow of licence approvals. It was also agreed that full services should be established in San Fernando and Tobago. The Council noted the absence of an official Negative List and that the Trinidad and Tobago Chamber of Industry and Commerce had, at its own cost, compiled and made available to the public an unofficial Negative List. The Council re-gretted the inability of the Ministry so far to provide a comprehensive list of items on the

negative list.

The Council reported that there was a consensus on the need for much greater collaboration between this Ministry, the Ministry of External Affairs and the Central Bank. But, it reported, attempts to get the Council, the Ministry and the Bank together for discussions proved fruitless. "After a number of reminders this meeting is yet to be agreed to by the Central Bank," the

Report states.
The Council felt there was a need to restate the "dire necessity for a coordinated approach to industrial development" with particular reference to "the establishment of institutions and procedures through which products, industries and markets can be identified ... and through which economic data can be collected, analysed and dissemi-

There was need for a formal mechanism that linked the Ministry of Industry, Com-merce and Consumer Affairs, Ministry of External Affairs, Export Development Corporation, CARIRI and NIHERST.

The Council also renewed its call for the formulation of a policy on licensing agreements and the transfer of technology.

The Council recommended that the Central Bank and the Ministry of Industry, Commerce and Consumer Affairs be requested to establish lines of communications whereby the Central Bank would be aware of those classes of imports for which licences would not be granted, so that Exchange approvals may not be granted. This, it suggested, would facilitate the speedy processing of such applications.

The Council also recommended that the Central Bank and the Ministry should move diligently to establish a computer link between them so that members of the public and the business community would not have to be involved in the constant "toing and

froing" between these organisations.

The Report registers the Council's concern "over the time it takes to receive information, or even a simple acknowledgement of receipt of correspondence, from some Ministries and Government agencies."

It singles out the "recalcitrance" of the Ministry of National Security in responding to the Council's request "for information on Work Permits." The Report noted that this request was first forwarded to that Ministry in late 1982, and despite verbal and written reminders, there was as yet no response.

In discussions with the Mayor of Port of Spain, the Productivity Council identified two major obstacles to the re-organisation and improvement of the operations of the

City Council. These were:

The very poor state of physical facilities at the Transport Section of the City Council, and other out-stations;

and Organisation and Management Division

 The non-completion of the classification of jobs exercise by the Personnel Department

of the Ministry of Finance and Planning. The Council reported that it had since written to the Chief Personnel Officer on the subject of the classification exercise, which was followed up by at least one reminder. But, to date, no response had been received. The Council recommended that the Chief Personnel Officer and the Organisation and Management Division be directed to com-

plete this long-standing exercise as a matter

of urgency.

The Council noted that in its second Report it had made specific recommenda-tions with respect to the operations of the Public Transport Service Corporation and had held discussions with that organisation.
"It is most disheartening to note, that after the elapse of more than one year, the Council has had no response from the Public Transport Service Corporation," the Report lamented.

But not all Ministries and Departments got bad marks from the Council. The Council noted that it had been encouraged by the response rate of the Ministries of Labour, Social Security and Cooperatives, the Ministry of Industry Commerce and Consumer Affairs, and the Ministry of External Affairs.

The Council "was pleased to note the constantly high performance of the Auditor General's Department. But, overall, it was "concerned with the system of financial accountability in the public sector". It was encouraging, said the Report, to note the Auditor General's attempt to "widen the scope of the auditing exercise beyond the ambit of mere scrutiny and certification of records, and into the area of efficiency auditrecords, and into the area of efficiency auditing." The Council expressed the hope that the necessary staff would be provided to enable the Auditor General "to undertake full efficiency audits of the public sector.

The Council noted that there had been a consensus among members that they would have resigned 'en bloc' at the end of 1983 if there was "no marked improvement in the effectiveness of the Council." This position was reviewed in September 1983, and members agreed to "make a concerted effort for the rest of the year ... given that office space and staff had finally been put at the disposal

of the Council."

At its general meeting in December 1983, the Council "unanimously agreed to continue in office for another six months" and to review its position at the end of this period. It felt that June 1984, would be an appropriate occasion "to assess the efficiency of the Council as well as that of its individual members."

#### COUNTRY SECTION

QUESTIONS RAISED ABOUT BUSINESS DEALS INVOLVING U.S. FIRMS

Port-of-Spain SUNDAY GUARDIAN in English 1 Apr 84 pp 1, 3

[Article by John Babb]

[Text] HOW did certain US firms come to be involved in business deals worth millions of dollars at Point Lisas?

That is one of the main questions before the Public Accounts (Enterprises) Committee of Parliament.

Originally PAC began an enquiry into how \$434,870 worth of aggregate came to be written off the books of the state-owned Point Lisas Property Development Company (Plipdeco). Now the simple enquiry has snowballed into a probe of a much wider nature.

The SUNDAY GUARDIAN understands that several questions were asked, must evidence unearthed, but still several other questions are left unanswered.

Conducting its own investigations into the matter, the SUNDAY GUARDIAN learned that Plipdeco had awarded sizeable contracts to a foreign company, Estane Corporation, without following the normal tender procedures.

According to records in the Registrar General's Department, Estane Corporation was registered on July 29, 1982. It was incorporated in the Grand Cayman Islands with a capital of \$500,000, divided into 500 shares of \$1,000, of which six shares were taken.

### Pilot Scheme

Investigations revealed that Estane had an agreement with Plipdeco in December, 1981—some seven months before it was registered as a company—to build 50 pre-fab aluminium houses at Couva.

Construction of the 50 houses, a pilot scheme, led to further jobs for the company, including construction of the Penal Market, temporary offices for the Caroni County Council and factory shells for the Industrial Development Corporation (IDC).

Estane also filled the role of middle-man in the purchase by Plipdeco of a second-hand mobile concrete mixer, which cost the company \$320,000. Sources say Plipdeco paid for the concrete mixer before seeing it, and before it was inspected.

And the money paid up front was done on mere trust, contrary to company policy.

Plipdeco's usual practice was to make its purchases on the basis of a 30-day supplier's credit. The item is first received, and Plipdeco, within 30 days, pays for it. This was not followed on this occasion and even more embarrassing for Plipdeco was that it had to spend an additional \$50,000 to have the mixer in working condition.

The net result however was that the concrete mixer never worked one day for the company, and was later sold, reportedly for less than what it was purchased.

In addition, Estane also had a one-year contract with Plipdeco to manage the concrete batching plant, bought from Fertrin--for more than \$1 million.

The same month--December, 1981--that Estane signed the agreement with Plipdeco to build the 50 houses, it also secured the management contract at a fee of \$88,000 (US). But Estane's only input at the batching plant was a manager--a Hugh Whitley, who lived in California.

Although the plant operated from 7 a.m. to 3 p.m., aggregate--material for the plant--was sometimes delivered at night without any proper checks or records.

# Haywire System

Due to the haywire system that was resulting in losses to the company, Plip-deco, in July, 1982--seven months after it signed the Estane contract--appointed a local business manager to the plant, Howard Maharaj (a county councillor), who subsequently quit Plipdeco in November, 1983.

It is reported that the PAC kept asking how did Estane come to be involved in business deals with Plipdeco? Indeed, who was Estane Corporation?

Four of Plipdeco's senior officials at the time--Ken Snaggs, Chief Executive Officer; Haven Allahar, Manager of Technical and Project Management Services; Howard Maharaj, Commercial Manager and Winston Millette, who was Manager/Finance, Finance Comptroller, then made General Manager of Administration and Finance--have testified before the PAC which is reviewing the 1981/82 auditor's report on the accounts of Plipdeco.

Because of conflicting evidence, the PAC has moved to probe further into Plip-deco's operations.

Some back-tracking on Plipdeco's connections revealed that South Wire, on aluminium company from Georgia in the US, was the firm that negotiated a joint

venture with the Trinidad and Tobago Government relevant to the construction of an aluminium smelter—a project still in the pipeline.

As a result of the South Wire connection, Richards and Associates, a sister company, then came into the picture.

Richards and Associates, whose main business is electrical power lines erection, obtained a contract to run overhead transmission lines for the Trinidad and Tobago Electricity Commission (T&TEC).

Investigations revealed that Richards and Associates entered on the advice of the then Chairman of Pilpdeco, Dr. Ken Julien, who is also Chairman of T&TEC.

After Richards and Associates came on the scene, they in turn made certain recommendations regarding the hiring of Estane Corporation, recommendations which were endorsed by Plipdeco's board.

As a result the board went along with contracting Estane—a firm about which it knew nothing—to provide housing at Couva, thus circumventing the regulations by not following the tender procedure for a contract of such size.

The pilot housing scheme entailed the purchase of completely knocked down (ckd) houses from Reynolds Aluminium in the US, and to have those houses erected by a small firm called International Erectors, which, it was learned, was recommended by Richards and Associates.

However, various tracers put out on the origin and background of International Erectors have drawn blanks, both in the US and locally.

The proposal by Richards and Associates was that the second set of houses (they're known as Vega), a total of 130, should be undertaken by Estane Corporation because it was felt Estane, unlike International Erectors, had the capability to handle a project of that size.

Company sources said Plipdeco was assured that International Erectors would merge with Estane so that the same people who had put up the initial 50 units would also be involved in the additional 130.

That, it was pointed out, was how Estane came into the housing business.

The strategy pursued by Plipdeco in the construction of the entire Couva housing project, which involved 1,075 units, leaned forward avoidance of regular tendering for contracts.

### Strategy

Apart from Estane there were four other housing contractors, who initially obtained their contracts on the basis of tendering. They were: Emile Elias, Lange Ballast, Wealth Fab, and Care Trinidad.

The agreed strategy was that provided the first set of contractors were satisfactory, subsequent numbers of units would be awarded to them on the basis of negotiation.

But apart from the housing, Estane obtained further contracts--Penal Market, temporary offices for the Caroni County Council, and factory shells for the IDC.

Based on other reports, Estane was also involved in the renovations and refurbishing of the Farrell House Hotel, including its crockery.

There is every likelihood that the next witness to be summoned to testify before the committee will be Rupert King, a former production engineer at Plipdeco. Prior to joining Plipdeco he was a senior factory inspector.

Mr. King, it was learned, was the man Plipdeco sent to the US to look at the operations of a mobile concrete mixer. He reportedly visited some organisation in Georgia and saw the operations of similar type equipment that Plipdeco had decided to buy. But he did not see the actual machinery that Plipdeco had paid for, in advance.

Like other Plipdeco officials, he saw the equipment only after it was landed at Point Lisas. Plipdeco, it was learned, never accepted the offer to have someone view the particular piece of equipment in the US before it was shipped.

In the wake of evidence of mismanagement, the PAC is seeking answers to numerous questions.

And in the light of evidence that the equipment was shipped improperly and was affected by sea blast, questions being asked include: Was there insurance on shipping of the equipment when did Plipdeco receive a certificate of inspection?

Now the committee, it is understood, has asked to see all the files relating to the purchase of the mobile concrete mixer that was never used. Also, the amount of concrete supplied to Estane, the price paid by Estane, the costing of the concrete batching plant obtained from Fertrin and the quarterly reports on the varying cost price of production.

In the meantime, a number of other questions have remained unanswered: Why was Richards and Associates given the contract to supply the parts for the housing units? Why was it not possible to purchase them directly from Reynolds Aluminium?

Why was no independent investigation done on Estane Corporation? How did Estane manage to land contracts even before it was registered as a company?

Who, what and where are International Erectors? Why was Richards and Associates so involved in the housing and other contracts when their primary concern was the erection of electrical power lines? What expertise did Richards and Associates have in the housing business?

CONTRACTORS URGE GOVERNMENT TO REMOVE JULIEN FROM PT. LISAS

Port-of-Spain EXPRESS in English 22 Mar 84 p 3

[Text]

LOCAL contractors yesterday called on Prime Minister George Chambers to "relieve" Dr Ken Julien of all his posts connected with the Point Lisas Industrial Estate and set up an independent inquiry to investigate past awards of contracts on Point Lisas projects.

The call was made on behalf of contractors yesterday by Trinidad and Tobago Contractors Association president Motilal Moonan yesterday. Moonan made the statement following a discovery by the parliamentary Public Accounts Committee (PAC) and exclusive EXPRESS reports that over \$25 million in contracts were awarded by the Point Lisas Industrial Port Development Corporation (PLIPDECO) and the National Energy Corporation (NEC) to the firm of Estane Corporation International without the proper tendering procedures being followed.

Moonan said Dr. Julien's chairmanship of PLIPDECO, NEC, Iron and Steel Company (ISCOTT), Fertilizers of Trinidad and Tobago (Fertrin), and the Trinidad and Tobago Electricity Commission

(TTEC) — all of whom were sited at Point Lisas — had made the university professor acountable for the companies operations.

The contractors association president "confirmed" that local contractors were "never given a chance to bid" for the Estane contracts which were named in yesterday's EXPRESS.

"When I saw the projects which were awarded to Estane I clearly remembered that we have been fighting over the last five years for these Point Lisas people to send the necessary tendering documents to the association of that they be advertised in the newspapers," he added.

Moonan, who owns and operates several local construction companies, said that local contractors could have "easily" completed the Point Lisas jobs at cheaper costs. "Those 12 factory shells at Point Lisas which cost \$7,930,000 could have been built by any of the 120 fabricating companies in the country. These companies could do fabricating for any building in the country and we are sure that foreigners are not needed for that purpose," he added.

CSO: 3298/671

COUNTRY SECTION TRINIDAD AND TOBAGO

ISCOTT MANAGEMENT SAYS UNION IS DRAGGING COMPANY DOWN

Port-of-Spain TRINIDAD GUARDIAN in English 2 Apr 84 p 16

[Text] THE MANAGEMENT of ISCOTT has accused the recognised union, Steel Workers' Association of Trinidad and Tobago, of not being interested in pulling the company out of the depths in which it finds itself, but interested in "pulling the company deeper into the pits."

The company made the accusation in a memorandum to all employees responding to allegations made by the union of mismanagement and corruption. The memorandum was signed by Mr Keith Toby, Executive Vice-President, Human Resources and Administration.

A Close Look

The company said that it was responding to five points which the Union made at a Press conference.

The union at that time expressed confidence in the survival of the company and said that it was willing to do its part.

According to the company, it was the workers' right to know "and the management's right to inform accordingly, especially when such a public demonstration can be considered irresponsible and damaging to the company."

The company firstly denied that there was any intended retrenchment of 250 workers "at this time." It is no secret, that the company is in deep financial trouble, according to the memorandum.

"We have been taking a close look at all aspects of operations, and have indeed focused on our overall manpower position with a view to cutting back in some areas. At this time, no decision has been taken on the issue of retrenchment of workers.."

The company described the union's statement as "intimidatory at a time when we expect our workers to rally behind its management in order to meet production targets, and so relieve the financial burdens on the treasury. It serves only as a retrograde step and further hinders the goals and objectives of our 1984 thrust."

On the question of the breakdown in industrial relations, the company said it had attempted throughout to apprise the union of the situation regarding proposals and negotiations and was surprised when the union "suddenly changes course" and said it was no longer interested in continuing negotiations.

According to the company, ISCOTT indicated to the union the constraints under which it operates, notably the strict guidelines laid down by the Ministry of State Enterprises, the position of having to wait for directives from the Ministry since the company "is not in a financially-viable position to negotiate cost items on its own," and the present overall financial position which makes ISCOTT totally dependent on the treasury.

The company denied that it had ever withdrawn the union's right to time off for union business, but noted that the company maintain its rights, as stated by the law, to give time off at its discretion, with or without pay.

On the question of the union calling for a thorough investigation into ISCOTT, the company responded that it would welcome any investigation on any matter if it were felt that the officers of the company were guilty of mis-management or corruption, but such public statements "can only further serve to damage our public image and further break the confidence that the management is seeking to restore."

# Public Image

The company, on the question of absenteeism records, said that it had become increasingly concerned about the matter, but denied seeking out any individual for special action or favour.

The company noted that it had publicly and privately spoken of efforts to steer clear from the "traditional management union confrontation-type relationship."

"However, the executives of SWATT, by their recent actions, have shown clearly that they are not interested in pulling this company out of the depths in which it finds itself, but demontrated that they are interested in pulling the company deeper into the pits and so jeopardise the jobs of not only the 700 workers they represent, but also the well-being of wives, dependants and relatives of the 1,100 workers of the company who will be affected by the eventual collapse of this 'structure' through which Trinidad and Tobago has attempted to make its mark among Third World countries."

Finally the company indicated that it saw fit not only to inform workers but also the shareholder "of this intransigence and the negative effects which can be brought about by the irresponsible actions of a misinformed few."

CSO: 3298/671

## NEGATIVE TRADE BALANCE REGISTERED FOR 1983

Port-of-Spain EXPRESS in English 19 Mar 84 p 2

[Text]

TRINIDAD and Tobago recorded an adverse balance of visible trade of \$409.9 million during 1983, according to the Central Statistical Office (CSO).

Data for the corresponding period in 1982 showed total imports of \$8,442.8 million and exports of \$7,336.3 million of which \$7,118.4 million represented domestic exports.

The CSO said during 1983, Trinidad and Tobago imported goods worth \$6,138.6 million while exports totalled \$5,728.7 million, of which \$5,436 million represented domestic exports.

Imports during December 1983 amounted to \$339.5 million while exports were \$694.5 million.

The CSO said that the petroleum sector accounted for 3 per cent of total imports and 84 per cent of total exports during January-December 1983. Excluding petroleum, imports amounted to \$5,940.4 million and exports \$932.6 million.

The value of imports under the Caricom agreement during 1983 was \$378.2 million or 6 per cent of total imports. Domestic exports under the Caricom agreement totalled \$252.1 million or 5 per cent of total domestic exports.

An adverse balance of visible trade amounting

to \$126.1 million was therefore recorded in transactions with other Caricom countries.

Under the Standard International Trade Classification Revision 2, SECTION 0 - FOOD AND LIVE ANIMALS, the principal commodities imporoted during January to December, 1983 were: Cereal and Cereal Preparation: \$194.3 million, Fruits and Vegetables: \$192.7 million, Dairy Products and Eggs: \$150.4 million, Meat and Meat Preparations: \$129.3 million, and Feeding Stuff for Animals: \$94.1 million. This Section accounted for 1983 compared with 11% in 1982.

Major Export items falling in SECTION 0 were:- Sugar and Sugar Preparations: \$50.9 million; Coffee, Tea, Cocoa, Spices: \$16.6 million; Cereal and Cereal Preparations: \$9.0 million and Fruits and Vegetables: \$5.8 million. This Section constituted 2% of all Exports.

Total Imports for January to December, 1983 when compared with Total Imports for the same period in 1982 showed that Food and Live Animals increased by \$16.0 million, Chemicals \$5.0 million and Crude Materials \$5.0 million However, there were decreases in Mineral Fuels, Lubricants and Related

Materials of \$1,704.3 million, Machinery and Transport Equipment: \$510.0 million and Manufactured Goods: \$119.0 million.

A comparison of Total Exports for both reference periods showed that in the 1983 period Chemicals increased by \$115.2 million and Manufactured Goods \$29.0 milion. However, there were decreases in Mineral Fuels. Lubricants and Related Materials amounting to \$1,700.7 million, Machinery and Transport Equipment \$33.1 milion and Food and Live Animals \$6.3 million.

The value of Imports under the CARICOM Agreement during January to December, 1983 was \$378.2 million or 6 per cent of Total Imports. Domestic Exports under CARICOM Agreement totalled \$252.1 million or 5 per cent or Total Domestic Exports. An adverse Bal-ance of Visible Trade in the sum of \$126.1 million was therefore recorded in transactions with our CARICOM Partners.

The main sources of Trinidad and Tobago's CARICOM Agreement Imports were: Jamaica 31 per cent, Barbados 28 per cent and Guyana 15
per cent. Of Total Domestic Exports to the
CARICOM Bloc, Guyana absorbed 29 per cent,
Reshedon 26 Barbados 26 per cent, Jamaica 18 per cent, Antigua 8 per cent and St Lucia 6 per cent.
Trinidad and Toba-

go's Trade under the

CARICOM Agreement for January to December 1983, when compared with the same period in 1982 showed that Imports increased by \$6.6 million, whereas Domestic Exports continued to show a significant decline with every member state.

Comparison of Export data for both periods showed a short-fall of \$120.6 million below the \$120.5 million below the 1982 figure. Exports to Guyana decreased by \$65.6 million, Jamaica \$24.7 million, Barbados \$10.5 million and Anti-gua \$5.7 million.

Imports from St Vincent increased by \$23.0 million, Barbados \$5.6 million, Dominica \$5.0 million and Grenada \$3.5 million. However, Imports from Guyana decreased by \$17.4 million.

Excluding the Petro-leum Sector, CARICOM Agreement Imports va-lued \$376.9 million and Domestic Exports \$105.6 million during January to December, 1983.

NOTE:

The user is reminded that the data contained in this bulletin have been derived from Customs documents brought to account during the period under review. As a result there may be discrepancies between the figures in Imports and Exports extracted from the Customs forms and data obtained from other sources.

The values shown in this analysis are rounded to the nearest million

\$TT.

cso: 3298/670

FOREIGN RESERVE DOWN IN '83 DESPITE GOOD FOURTH QUARTER

Port-of-Spain TRINIDAD GUARDIAN in English 2 Apr 84 p 15

[Text]

AT THE END of last year, this country's foreign reserves were estimated at \$5,040.3 million and despite a 3.2 per cent increase in the last quarter of the year, this did little to improve the level of the reserves.

This information is contained in the Quarterly Economic Bulletin of the Central Bank, published in December. The Bulletin gives a review of the economic and financial developments of the country.

The Bulletin reported:
Trinidad and Tobago's foreign reserves increased by \$156.0 million or 3.2 per cent in the fourth quarter of 1983 following a decline of \$711.9 million or 12.7 per cent in the third quarter. At year end the reserves were estimated at \$5,040.3 million. The improvement in the level of reserves in the last quarter of 1983 had little effect on the outcome for the year, as there were significant declines in the three preceding quarters. In 1983, reserves fell by \$2,119.8 million (29.6 per cent), compared with the loss of \$527.1 million (6.9 per cent) in 1982.

The foreign reserves held by the Monetary Authorities declined significantly by \$2,102.3 million in 1983 to \$5,116.6 million despite an increase of \$136.3 million in the final quarter. In the first nine months of the year reserves had fallen by \$2,238.6 million.

### LESS SEVERE

Corresponding figures for 1982 show a less severe decline of \$522.9 million for the year, after a rise of \$249.5 million in the last quarter. The Central Government's external assets showed little change in 1983, increasing from \$36.1 million at the end of 1982 to \$36.4 million a year later. The net foreign position of the commercial banks is estimated to have improved somewhat in the final three months of 1983. At the

end of September, their foreign liabilities exceeded foreign assets by \$132.9 million, but by the end of the year this deficit had contracted to \$112.7 million. However, this compares unfavourably with the position at the end of 1982 when the overall deficit was \$94.9 million.

The small increase in the Monetary Authoritiess foreign reserves in the final quarter of 1983 was partly due to a noticeable slowdown in net sales of foreign exchange to commercial banks. The introduction of new measures to conserve foreign reserves contributed to this reduction in sales. In the three months to December, net sales totalled \$1,115.2 million, 18.6 per cent less than in the third quarter and 23.4 per cent less than in the last quarter of 1982.

### **LOWER RATES**

Taxes and royalties from companies, which accrue in foreign exchange, fell short of similar receipts a year earlier, says the case in the first these currents of 1992.

These inflows, which amounted to \$1,008.0 million in the fourth quarter were 26.2 per cent lower than in the last quarter of 1982. Similarly interest received on the Central Bank's foreign investments, a total of \$151.5 million in the last quarter of 1983, compared with \$241.4 million in the corresponding quarter of 1982.

Despite the decline in income

Despite the decline in income from these sources, total inflows in the last quarter — including central government loan receipts of \$288 million — were more than enough to offset the reduced volume of outflows.

For the year as a whole, net sales of foreign exchange by the Central Bank to commercial banks totalled \$4,997.1 million, 6 per cent higher than in 1982. The impact of the fall in net sales in the last quarter of 1983 was noteworthy, since in the first nine months of the year net sales had increased 18.5 per cent,

over those in the corresponding period of 1982.

The effect of larger foreign exchange outflows in 1983 was compounded by the continuing decline in oil revenues. Oil receipts of \$2,414.5 million were 27 per cent less than in 1982 when receipts fell 22.3 per cent.

Interest on the Central Bank's foreign investments — another important source of foreign exchange earnings — also declined in 1983 to a provisional \$583.0 million from \$846.1 million in 1982. This was as a result of the considerable fall in reserves during the year combined with lower international interest rates.

CSO: 3298/670

### BRIEFS

FARMERS' PROTEST--TRINIDAD AND TOBAGO Farmers Association will be leading a protest demonstration to the Ministry of Local Government and Community Development and the Ministry of Agriculture, Lands and Food Production very shortly. The farmers claim they made several complaints to the San Fernando Borough Council and the Ministry of Agriculture, Lands and Food Production of the problems they face at the San Fernando Central Market due to harassment from the police while off loading their goods to be sold at the market. County Councillor Rampersad Mahadeo, of the St. Patrick County Council; who is the Secretary of the Puzzle Island Farmers Association, stated that the farmers are appealing to the San Fernando Borough Council to have the market open between the hours of 3 a.m. to 11 a.m. insteady of 5.30 a.m. to 1 p.m. so they can have their goods sold. He claimed that when the farmers have to come to the market for 5 a.m. to sell their produce, they in turn lose a lot of time and cannot put in no type of work in their garden. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 2 Apr 84 p 6]

CSO: 3298/671

END